

BHARTI AIRTEL LIMITED

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

Financial results for the fourth quarter and year ended March 31, 2015

1. Bharti Airtel Limited – Audited financial results for the fourth quarter and year ended March 31, 2015 as per Indian GAAP (as Stand alone entity)

Part I		(In Rs. Million except per share data)				
S.No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended	Year Ended
		March 31,	December 31,	March 31,	March 31,	March 31,
		2015	2014	2014	2015	2014
		Audited	Audited	Audited	Audited	Audited
1	Income from Operations	142,921	139,952	129,365	554,964	499,185
2	Expenses					
	(a) Access charges	20,298	20,583	18,556	79,601	73,015
	(b) Employee benefits expenses	4,231	4,075	3,886	16,915	16,481
	(c) Cost of goods sold	17	20	22	76	22
	(d) Power and Fuel	10,340	10,537	10,203	41,151	41,697
	(e) Rent	13,984	15,922	14,444	59,790	56,904
	(f) License fee and spectrum charges (revenue share)	17,292	15,908	14,191	67,062	54,682
	(g) Depreciation and amortisation expense	19,860	18,233	18,281	75,597	72,313
	(h) Other operating expenses	24,427	24,541	21,375	96,058	93,396
	Total Expenses	110,449	109,819	100,958	436,250	408,510
3	Profit from operations before Other Income, Finance Costs, Exceptional Items and Tax (1-2)	32,472	30,133	28,407	118,714	90,675
4	Other Income	17,561	1,083	1,562	51,930	8,534
5	Profit from ordinary activities before finance costs, exceptional items and tax (3+4)	50,033	31,216	29,969	170,644	99,209
6	Finance Costs	5,811	2,848	3,910	14,091	13,364
7	Profit from ordinary activities after finance costs but before exceptional items and tax	44,222	28,368	26,059	156,553	85,845
8	Exceptional items - Loss / (Gain) (Refer note 9)	(672)	-	-	-	2,071
9	Profit (+) / Loss(-) from ordinary activities before Tax	44,794	28,368	26,059	156,553	83,774
10	Tax Expense (including expense of Rs 195 Mn and Rs Nil for the quarter and year ended Mar, 15, respectively, Rs Nil for the quarter ended Dec, 14, benefit of Rs 966 Mn and Rs 1180 Mn for the quarter and year ended Mar, 14, respectively, on exceptional items)	6,554	5,580	5,460	24,548	17,772
11	Net profit (+) / loss(-) from Ordinary Activities after tax	38,240	22,788	20,599	132,005	66,002
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Profit (+) / Loss (-) for the period / year	38,240	22,788	20,599	132,005	66,002
14	Paid-up equity share capital (Face value Rs.5/- each)	19,987	19,987	19,987	19,987	19,987
15	Reserves excluding revaluation reserves including employee stock option outstanding (Refer Note 3 below)	762,721	735,621	647,272	762,721	647,272
16	Earnings per share (Face value Rs.5/- each) (in Rs.)					
	a. Basic and diluted EPS before Extraordinary items					
	i) Basic	9.566	5.701	5.153	33.023	16.687
	ii) Diluted	9.566	5.701	5.153	33.023	16.687
	b. Basic and diluted EPS after Extraordinary items					
	i) Basic	9.566	5.701	5.153	33.023	16.687
	ii) Diluted	9.566	5.701	5.153	33.023	16.687
Part II						
S.No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended	Year Ended
		March 31,	December 31,	March 31,	March 31,	March 31,
		2015	2014	2014	2015	2014
		Audited	Audited	Audited	Audited	Audited
A	Particulars of Shareholding					
1	Public Shareholding					
	a. Number of shares	1,384,181,356	1,384,181,356	1,386,131,356	1,384,181,356	1,386,131,356
	b. Percentage of shareholding	34.63%	34.63%	34.68%	34.63%	34.68%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered					
	- Number of Shares	2,611,808,104	2,611,575,831	2,608,894,048	2,611,808,104	2,608,894,048
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	65.34%	65.33%	65.26%	65.34%	65.26%
3	Non Promoter - Non Public shareholding					
	- Number of Shares	1,410,642	1,642,915	2,374,698	1,410,642	2,374,698
	- Percentage of shareholding	0.03%	0.04%	0.06%	0.03%	0.06%
S.No.	Particulars	Quarter Ended				
		March 31,				
		2015				
B	Status of investor complaints as on March 31, 2015 is as follows:					
	Complaints pending as on January 1, 2015				Nil	
	Complaints received during the quarter				0	
	Complaints resolved during the quarter				0	
	Complaints pending as on March 31, 2015				Nil	

2. Segment Reporting - Prepared as per Indian GAAP (as Stand alone entity)

(In Rs Million)

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended	Year Ended
	March 31,	December 31,	March 31,	March 31,	March 31,
	2015	2014	2014	2015	2014
	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue					
Net sales/income from each segment					
a) Mobile Services	124,229	122,470	112,614	482,934	435,014
b) Telemedia Services	10,392	10,399	9,592	41,044	37,375
c) Airtel Business	15,708	14,170	14,711	59,298	58,567
d) Unallocated	-	-	-	-	-
Total	150,329	147,039	136,917	583,276	530,956
Less: Inter Segment Eliminations	7,408	7,087	7,552	28,312	31,771
Net sales/Income	142,921	139,952	129,365	554,964	499,185
2. Segment Results					
Profit/(Loss) before tax , net Finance Costs and exceptional items from each segment					
a) Mobile Services	31,181	27,924	24,422	112,562	81,667
b) Telemedia Services	2,677	2,090	1,454	8,506	5,750
c) Airtel Business	222	829	1,583	3,786	6,519
d) Unallocated #	(932)	(367)	1,405	(4,004)	(1,844)
Total	33,148	30,476	28,864	120,850	92,092
Less: Inter Segment Eliminations	-	-	-	-	-
Total profit/(loss) before tax , Net Finance Costs and exceptional items	33,148	30,476	28,864	120,850	92,092
Less :					
Net Finance Costs / (Income)	(11,074)	2,108	2,805	(35,703)	6,247
Exceptional Items - Loss / (Gain)	(572)	-	-	-	2,071
Total profit before tax	44,794	28,368	26,059	156,553	83,774
3. Capital Employed					
(Segment assets - Segment liabilities) *					
a) Mobile Services	295,667	291,024	308,484	295,667	308,484
b) Telemedia Services	20,329	18,453	21,369	20,329	21,369
c) Airtel Business	2,872	3,144	5,695	2,872	5,695
d) Unallocated **	436,431	419,003	307,715	436,431	307,715
Total	755,299	731,624	643,263	755,299	643,263

Includes foreign exchange fluctuations in respect of loans given to subsidiaries.

*Excludes inter segment assets and liabilities.

**Includes borrowings for 3G and BWA licenses (including spectrum) of Rs 14,153 Mn, Rs 14,153 Mn and Rs 44,400 Mn as of March 31, 2015, December 31, 2014 and March 31, 2014, respectively.

Notes to accounts

- The above financial results for the fourth quarter and year ended March 31, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on April 28, 2015.
- Notes to the consolidated financial results form part of the notes to the standalone financial results.
- Reserves and surplus as at March 31, 2015 include Rs. 756 Mn, towards employee stock option outstanding account (net of the related deferred cost) of the Company.
- During the quarter, the Company has won 95.20 MHz spectrum in 15 service areas for an amount of Rs. 244,040 Mn in the auctions conducted by the Government of India. The Company has opted for the deferred payment option and accordingly, subsequent to the balance sheet date, paid an advance of Rs. 66,496 Mn, the balance amount of Rs. 177,544 Mn being payable in 10 equal installments after a moratorium period of two years. Pending the allocation of the spectrum by the Government of India, the entire amount outstanding as at March 31, 2015, has been disclosed under capital commitments in the notes to the financial statements.
- During the quarter, on February 26, 2015, the Company has sold 55 Mn shares in Bharti Infratel Limited (BIL) for Rs 19,255 Mn, representing 2.9% shareholding in BIL. Subsequent to the transaction, the shareholding of the

Company in BIL has reduced to 71.9%. Excess of proceeds over the cost of investment net of associated costs, taxes and levies amounting to Rs. 16,168 Mn has been recognised in Other income.

6. Subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company, the Board of Directors has recommended a final dividend of Rs 2.22 per equity share of Rs. 5/- each for the financial year 2014-15.
7. Subsequent to the balance sheet date, the Company has filed the Scheme of Arrangements ("Scheme") under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Airtel Broadband Services Private Limited ('ABSPL') (formerly known as Wireless Business Services Private Limited), a wholly owned subsidiary of the Company, with the Company, as approved by the Hon'ble High Courts of Bombay on April 11, 2014 with Registrar of Companies ('ROC') on April 9, 2015 which is the effective date and appointed date of merger. From the filing of the said Scheme with the ROC, ABSPL shall cease to exist. However, the Scheme has not been given effect to in these financial statements as the appointed date of merger is subsequent to the balance sheet date.
8. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company for Rs. 51,353 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, has not given effect to the one time spectrum charges in these financial results.
9. Exceptional items during the quarter resulted in a credit of Rs 572 Mn on account of re-assessment of certain other levies for earlier periods. Tax charge on the above amounted to Rs. 195 Mn.
10. Pursuant to the guidance issued by The Institute of Chartered Accountants of India, during the quarter, 'FAQ on the provisions of CSR under Section 135 of the Companies Act 2013 and Rules thereon', the Company, during the quarter, has changed its accounting policy to account for CSR expenditure as appropriation to the statement of profit & loss instead of charging it to the statement of profit & loss, with retrospective effect from April 1, 2014. Accordingly, CSR expenditure for the nine months ended December 31, 2014 of Rs. 305 Mn has been adjusted in the financial results for the quarter and total CSR expenditure for the year ended March 31, 2015, of Rs 411 Mn has been appropriated from the statement of profit and loss under 'Reserves and Surplus'.
11. The financial results for the quarter ended March 31, 2015 and March 31, 2014 are the balancing figures between audited results in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial years.

12. Audited statement of assets and liabilities as per IGAAP (as a standalone entity) in terms of clause 41 of the listing agreement is as follows:

(In Rs Million)

Particulars	As of	
	March 31,	March 31,
	2015	2014
	Audited	Audited
A EQUITY AND LIABILITIES		
1 Shareholders' Funds		
a) Share capital	19,987	19,987
b) Reserves and surplus	762,742	647,293
	782,729	667,280
2 Non- Current Liabilities		
a) Long-term borrowings	196,267	72,717
b) Deferred tax liabilities (Net)	10,721	9,475
c) Other long term liabilities	42,036	39,394
d) Long term provisions	1,969	2,095
	250,993	123,681
3 Current Liabilities		
a) Short-term borrowings	6,259	12,510
b) Trade payables	71,232	62,663
c) Other current liabilities	140,675	106,454
d) Short term provisions	12,349	9,453
	230,515	191,080
Total Equity and Liabilities	1,264,237	982,041
B ASSETS		
1 Non-Current Assets		
a) Fixed Assets	625,113	411,224
b) Non current investments	383,958	340,348
c) Long- term loans and advances	88,381	145,180
d) Other non-current assets	19,221	17,901
	1,116,673	914,653
2 Current Assets		
a) Current investments	47,211	4,891
b) Inventories	94	11
c) Trade receivables	33,110	21,655
d) Cash and cash equivalents	3,887	4,460
e) Short-term loans and advances	53,942	24,218
f) Other current assets	9,320	12,153
	147,564	67,388
Total Assets	1,264,237	982,041

13. Previous year's/ period's figures have been regrouped / rearranged, wherever required.

For Bharti Airtel Limited
Sd/-

Gopal Vittal
Managing Director and CEO (India & South Asia)

New Delhi
April 28, 2015

“Bharti Airtel”, or “the Company”, wherever stated stands for Bharti Airtel Limited.
For more details on the financial results, please visit our website www.airtel.in