

## 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. Audited consolidated financial results of Bharti Airtel Limited and its subsidiaries prepared as per International Financial Reporting Standards (IFRS)

Part I		(In Rs. Million except per share data)				
S.No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended March	Year Ended
		March 31,	December 31,	March 31,	31,	March 31,
		2015	2014	2014	2015	2014
		Audited	Audited	Audited	Audited	Audited
1	<b>Total Sales / Income</b>	230,398	232,281	222,605	921,351	858,635
	(a) Net Sales/ Income from Operations	230,155	232,171	222,193	920,394	857,461
	(b) Other Operating Income	243	110	412	957	1,174
2	<b>Total Expenditure</b>	187,676	192,439	188,863	762,779	736,701
	(a) Employee Cost	11,881	11,653	11,517	47,123	46,228
	(b) Depreciation & Amortisation	38,401	38,015	39,444	155,311	156,496
	(c) License Fees & Spectrum Charges	21,735	22,172	19,831	87,391	75,971
	(d) Access & Interconnection Charges	27,988	28,804	28,732	112,759	111,923
	(e) Network Operating Expenses	48,276	53,007	50,219	203,372	197,202
	(f) Sales & Marketing	23,003	22,770	22,631	90,070	86,075
	(g) Administration & others	16,943	15,467	15,971	65,463	61,904
	(h) Other Expenditure	(551)	551	518	1,290	902
3	<b>Profit from Operations before Other Income, Net Finance Charges (including exchange fluctuation and related expenses), Share of Loss / (Gain) in Joint Ventures / Associates, Exceptional Items and Tax (1-2)</b>	42,722	39,842	33,742	158,572	121,934
4	Other Income	-	-	-	-	-
5	<b>Profit before Net Finance Charges (including exchange fluctuation and related expenses), Share of Loss / (Gain) in Joint Ventures / Associates, Exceptional Items and Tax (3+4)</b>	42,722	39,842	33,742	158,572	121,934
6	Net Finance Charges (including exchange fluctuation and related expenses)	19,703	10,523	10,031	50,133	49,040
7	Share of Loss / (Gain) in joint ventures / associates	(2,136)	(1,800)	(1,673)	(7,223)	(5,211)
8	<b>Profit after Net Finance Charges (including exchange fluctuation and related expenses), Share of Loss / (Gain) in Joint Ventures / Associates but before Exceptional Items and Tax</b>	25,155	31,119	25,384	115,662	78,105
9	Exceptional Items - Loss / (Gain) (Refer Note 11 below)	1,469	2,921	1,569	8,532	(538)
10	<b>Profit (+) / Loss(-) from Ordinary Activities after Exceptional Items but before Tax</b>	23,686	28,198	23,815	107,130	78,643
11	Tax Expense (including expense of Rs 143 Mn, and expense of Rs 1,121 Mn for the quarter and year ended Mar,15, respectively, expenses of Rs 536 Mn for the quarter ended Dec,14, and expense of Rs 256 Mn and Rs 3,970 Mn for the quarter and year ended Mar,14, respectively, on exceptional items) (Refer Note 11 below)	10,811	13,145	13,562	54,047	48,449
12	<b>Net profit (+)/ loss(-) from Ordinary Activities after tax</b>	12,875	15,053	10,253	53,083	30,194
13	Extraordinary items (net of tax expenses)	-	-	-	-	-
14	<b>Profit (+) / Loss (-) for the period / year</b>	12,875	15,053	10,253	53,083	30,194
15	Minority Interest (including impact of Rs (20) Mn and Rs (658) Mn for the quarter and year ended Mar,15, respectively, Rs (531) Mn for the quarter ended Dec,14, and Rs 508 Mn and Rs 1,558 Mn for the quarter and year ended Mar,14, respectively, on exceptional items) (Refer Note 11 below)	322	688	637	1,248	2,467
16	<b>Net Profit/(Loss) for the period / year</b>	12,553	14,365	9,616	51,835	27,727
17	Paid-up equity share capital (Face value Rs 5/- each)	19,987	19,987	19,987	19,987	19,987
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	651,707	628,777	594,692	651,707	594,692
19	<b>Earnings per share (Face value Rs.5/- each) (in Rs.)</b>					
	<b>a. Basic and diluted EPS before Extraordinary items</b>					
	i) Basic	3.141	3.595	2.407	12.973	7.016
	ii) Diluted	3.140	3.594	2.406	12.968	7.010
	<b>b. Basic and diluted EPS after Extraordinary items</b>					
	i) Basic	3.141	3.595	2.407	12.973	7.016
	ii) Diluted	3.140	3.594	2.406	12.968	7.010
Part II						
S.No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended March	Year Ended
		March 31,	December 31,	March 31,	31,	March 31,
		2015	2014	2014	2015	2014
		Audited	Audited	Audited	Audited	Audited
A	<b>Particulars of Shareholding</b>					
1	<b>Public Shareholding</b>					
	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	<b>Promoters and Promoter Group Shareholding</b>					
	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	<b>Non Promoter - Non Public shareholding</b>					
	- 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	<b>Status of investor complaints as on March 31, 2015 is as follows:</b>					
	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 International Financial Reporting Standards (IFRS) (as Consolidated Entity)**

(In Rs Million)

Particulars	Quarter Ended March 31,	Quarter Ended December 31,	Quarter Ended March 31,	Year Ended March 31,	Year Ended March 31,
	2015	2014	2014	2015	2014
	Audited	Audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>					
Net sales/income from each segment					
a) Mobile Services India	134,135	131,634	120,835	519,636	466,835
b) Mobile Services South Asia	3,707	3,788	4,488	15,759	17,403
c) Mobile Services Africa	62,152	68,277	70,623	269,070	272,488
d) Telemedia Services	11,289	11,171	10,242	44,325	39,352
e) Airtel Business	17,805	16,177	16,305	67,130	63,361
f) Digital TV Services	6,347	6,234	5,415	24,759	20,771
g) Tower Infrastructure Services	13,518	13,692	13,061	54,282	51,087
h) Others	716	690	717	2,914	3,197
i) Unallocated	-	-	-	-	-
<b>Total</b>	<b>249,669</b>	<b>251,663</b>	<b>241,686</b>	<b>997,875</b>	<b>934,494</b>
Less: Inter Segment Eliminations	19,514	19,492	19,493	77,481	77,033
<b>Net sales/Income</b>	<b>230,155</b>	<b>232,171</b>	<b>222,193</b>	<b>920,394</b>	<b>857,461</b>
<b>2. Segment Results <sup>§</sup></b>					
Profit/(Loss) before tax, net Finance Charges (including exchange fluctuation and related expenses) and exceptional items from each segment					
a) Mobile Services India	33,955	31,616	25,429	124,703	91,298
b) Mobile Services South Asia	(1,939)	(1,783)	(1,083)	(6,138)	(4,271)
c) Mobile Services Africa	1,947	3,188	3,881	11,727	16,983
d) Telemedia Services	2,849	2,013	1,420	8,689	5,541
e) Airtel Business	1,542	1,929	2,136	7,713	8,078
f) Digital TV Services	81	(360)	(1,107)	(1,581)	(4,812)
g) Tower Infrastructure Services	5,950	5,511	5,465	21,731	16,185
h) Others	(25)	10	(15)	16	62
i) Unallocated	330	(437)	(422)	(1,064)	(1,644)
<b>Total</b>	<b>44,690</b>	<b>41,687</b>	<b>35,704</b>	<b>165,796</b>	<b>127,420</b>
Less: Inter Segment Eliminations	(168)	45	290	1	275
<b>Total profit/(loss) before tax , Net Finance Charges (including exchange fluctuation and related expenses) and exceptional items</b>	<b>44,858</b>	<b>41,642</b>	<b>35,414</b>	<b>165,795</b>	<b>127,145</b>
Less :					
Net Finance Charges (including exchange fluctuation and related expenses)	19,703	10,523	10,030	50,133	49,040
Exceptional Items - Loss / (Gain)	1,469	2,921	1,569	8,532	(538)
<b>Total profit before tax</b>	<b>23,686</b>	<b>28,198</b>	<b>23,815</b>	<b>107,130</b>	<b>78,643</b>
<b>3. Capital Employed</b> (Segment assets - Segment liabilities)					
a) Mobile Services India	842,718	798,584	718,552	842,718	718,552
b) Mobile Services South Asia	18,340	21,851	11,087	18,340	11,087
c) Mobile Services Africa	475,393	527,153	629,398	475,393	629,398
d) Telemedia Services	54,754	52,116	46,700	54,754	46,700
e) Airtel Business	81,321	81,273	75,301	81,321	75,301
f) Digital TV Services	(35,425)	(35,368)	(33,317)	(35,425)	(33,317)
g) Tower Infrastructure Services	186,788	181,032	183,527	186,788	183,527
h) Others	(335)	(333)	(314)	(335)	(314)
i) Unallocated (net of eliminations) *	(955,465)	(973,457)	(991,272)	(955,465)	(991,272)
<b>Total</b>	<b>668,089</b>	<b>652,851</b>	<b>639,662</b>	<b>668,089</b>	<b>639,662</b>

\*Comprises borrowings, including borrowings for acquisition of Africa operations and other borrowings of Africa operations of Rs.554,776 Mn (USD 8.86 Bn), Rs. 572,524 Mn (USD 9.04 Bn) and Rs 640,237 Mn (USD 10.65 Bn), for 3G and BWA licenses ( including spectrum) of Rs. 45,153 Mn, Rs. 30,153 Mn and Rs 70,900 Mn as of March 31, 2015, December 31, 2014 and March 31, 2014, respectively, provision for taxes, deferred tax asset/ liabilities and fair value of derivative financial instruments.

§ Segment results include share of (loss) / gain in joint ventures / associates.

### **Notes to accounts**

1. 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.
2. In terms of clause 41 of the listing agreement, the Company has voluntarily adopted International Financial Reporting Standards (IFRS) notified by the International Accounting Standards Board, in the preparation of consolidated financial statements w.e.f. April 1, 2010 and has decided to publish only the consolidated financial results in the newspapers. However, the standalone financial results of the Company for the fourth quarter and year ended March 31, 2015 are being submitted to the stock exchanges and will also be available on the Company's website ([www.airtel.in](http://www.airtel.in)).
3. Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial results have been furnished to provide information about overall business of the Company, its subsidiaries, joint ventures and associates.
4. During the quarter, on January 13, 2015, Wynk Limited has been incorporated as a wholly owned subsidiary of the Company with the objective of content procurement / aggregation, including own content and selling to B2B and B2C customers. An investment of Rs. 0.50 Mn has been made in the subsidiary.
5. 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 change in non-controlling interests net of associated transaction costs, taxes and levies, amounting to Rs 13,007 Mn has been recognised directly in consolidated statement of changes in equity.
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. As per IFRS, these will be recorded in the financial statements upon shareholder's approval.
7. During the quarter, the Group has won 111.60 MHz spectrum in 17 service areas for an amount of Rs 291,291 Mn in the auctions conducted by the Government of India. The Group has opted for the deferred payment option in 15 service areas 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 consolidated financial statements. For the other 2 service areas, entire amount of Rs. 47,251 Mn has been paid as an advance.
8. During the quarter ended September 30, 2014, the Group had formally designated for accounting purposes, a significant portion of its Euro borrowings as a hedge against net investments in subsidiaries (in 5 Francophone countries where the local currency is pegged to the Euro). Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive

income to offset the change in the value of the net investment being hedged. Further, during the quarters ended December 31, 2014 and March 31, 2015, the Group has designated certain of its foreign currency borrowings as a cash flow hedge of the foreign currency risk arising from the consideration for the sale of telecom towers. Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income. Accordingly, foreign exchange gains (net) of Rs 12,901 Mn and Rs. 28,721 Mn (net of non-controlling interests) for the quarter ended March 31, 2015 and year ended March 31, 2015, respectively, have been recognised in other comprehensive income.

9. During the quarter ended March 31, 2015, Bharti Airtel Employee Welfare Trust (a trust set up for administration of ESOP Schemes of the Company) has transferred 212,273 shares to the employees upon exercise of stock options, under ESOP Scheme 2005. As of March 31, 2015, the trust holds 330,501 equity shares.
10. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs 52,013 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.
11. Exceptional items during the quarter resulted in a net loss of Rs 1,592 Mn, comprising of: (i) a charge of Rs 2,183 Mn on account of restructuring activities in a few countries, (ii) credit of Rs 142 Mn on account of gain recognised on divestment of telecom towers in one of the countries in Africa during the quarter, (iii) credit of Rs. 572 Mn on account of re-assessment of certain other levies for earlier periods, (iv) tax expense of Rs 143 Mn in respect of (i) and (iii) above, and (v) impact on minority interest of Rs 20 Mn in respect of (i), and (iii) above.
12. 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.
13. Audited financial results of the Company as per IGAAP (standalone information in terms of clause 41 (VI) (b) of the Listing agreement) are as follows:

(In Rs Million)

Sl. No.	Particulars	Quarter Ended March 31,	Quarter Ended December 31,	Quarter Ended March 31,	Year Ended March 31,	Year Ended March 31,
		2015	2014	2014	2015	2014
		Audited	Audited	Audited	Audited	Audited
1	Net Sales / Income from operations	142,921	139,952	129,365	554,964	499,185
2	Profit before tax and exceptional items	44,222	28,368	26,059	156,553	85,845
3	Profit before tax and after exceptional items	44,794	28,368	26,059	156,553	83,774
4	Profit after tax and before exceptional items	37,863	22,788	19,633	132,005	66,893
5	Profit after tax and exceptional items	38,240	22,788	20,599	132,005	66,002

14. Consolidated statement of assets and liabilities as per IFRS 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
<b>Assets</b>		
Property, plant and equipment	579,157	596,429
Goodwill on consolidation	414,823	469,136
Other Intangible assets	507,460	340,580
Investment (non-current)	31,260	36,341
Other non current and current assets	273,575	275,791
Inventories	1,339	1,422
Short term investments	92,840	62,265
Cash and cash equivalents	11,719	49,808
Assets of disposal group classified as held for sale *	45,645	-
<b>Total assets</b>	<b>1,957,818</b>	<b>1,831,772</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Issued capital	19,987	19,987
Treasury shares	(114)	(342)
Reserves and surplus	599,691	577,915
<b>Equity attributable to equity holders of parent</b>	<b>619,564</b>	<b>597,560</b>
Non-controlling interest	48,525	42,102
<b>Total equity</b>	<b>668,089</b>	<b>639,662</b>
<b>Liabilities</b>		
Borrowings	663,672	758,958
Provisions	8,309	11,769
Other non current and current liabilities	612,303	421,383
Liabilities of disposal group classified as held for sale *	5,445	-
<b>Total equity and liabilities</b>	<b>1,957,818</b>	<b>1,831,772</b>

\*Disposal group represents telecom towers held for sale in some countries under its Africa operations.

15. Previous year's / periods' 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. Group, wherever stated stands for Bharti Airtel together with its subsidiaries. For more details on the financial results, please visit our website [www.airtel.in](http://www.airtel.in)