

BHARTI AIRTEL LIMITED

Registered Office: Qutab Ambience, H-5/12, Mehrauli Road, New Delhi – 110030

Financial results for the fourth quarter and full year ended March 31, 2008

1. Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per United States Generally Accepted Accounting Principles (US GAAP)

(In Rs Crore except ratios)

Particulars	Quarter Ended			Year Ended		
	March 2008	March 2007	Y-o-Y Growth	March 2008	March 2007	Y-o-Y Growth
	Audited	Un-audited		Audited	Audited	
Total revenues	7,819.10	5,393.18	45%	27,025.00	18,519.60	46%
EBITDA	3,251.80	2,240.76	45%	11,371.50	7,450.80	53%
Cash profit from operations	3,036.10	2,193.04	38%	11,137.40	7,306.97	52%
Earnings/(loss) before taxation	2,113.20	1,506.76	40%	7,653.70	4,886.04	57%
Current tax expense/ (income)	229.80	176.80	30%	841.40	533.00	58%
Earnings/(loss) after current tax expense	1,883.40	1,329.96	42%	6,812.30	4,353.04	56%
Deferred tax expense / (income)	(21.30)	(41.50)	49%	(3.60)	49.20	
Net profit / (loss)	1,852.90	1,353.09	37%	6,700.80	4,257.15	57%
EBITDA / Total revenues	41.6%	41.5%		42.1%	40.2%	

2. Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per Indian Generally Accepted Accounting Principles (IGAAP)

(In Rs. Crore except ratios)

S. No.	Particulars	Quarter Ended March 31,		Year Ended March 31,	
		2008	2007	2008	2007
		Audited	Audited	Audited	Audited
1	Net Sales/ Income from Operations	7,863.65	5,361.35	27,012.24	18,420.21
2	Other Income	66.30	37.42	279.61	111.90
3	Total Income	7,929.95	5,398.77	27,291.85	18,532.11
4	Total Expenditure	5,609.28	3,866.36	19,452.43	13,604.95
	(a) Employee Cost	366.16	330.17	1,472.15	1,223.90
	(b) Depreciation and Amortization	935.02	699.25	3,591.41	2,448.70
	(c) License Fees and Spectrum Charges	780.07	509.81	2,689.96	1,695.30
	(d) Access and Interconnection Charges	1,229.86	933.45	4,111.14	3,137.80
	(e) Network Operating Expenses	967.54	566.93	3,242.95	2,034.20
	(f) Sales and Marketing	585.80	322.92	1,905.83	1,138.70
	(g) Administration and others	603.30	440.75	2,102.51	1,697.80
	(h) Other Expenditure	141.53	63.08	336.48	228.55
5	Interest Expense / (Income) Net	304.49	42.25	527.87	248.85
6	Profit/(Loss) from Ordinary Activities before tax	2,016.18	1,490.16	7,311.55	4,678.31
7	Tax Expense	76.11	152.00	816.15	568.10
	-Current Tax	222.63	146.49	895.47	497.00
	-Fringe Benefit Tax	12.99	7.40	40.30	27.20
	-Deferred Tax	(159.51)	(1.89)	(119.62)	43.90
8	Net profit/ (loss) from Ordinary Activities after tax	1,940.07	1,338.16	6,495.40	4,110.21
9	Extraordinary items (net of tax expenses Rs.)	0.00	0.00	0.00	0.00
10	Profit (+)/ Loss (-) for the period	1,940.07	1,338.16	6,495.40	4,110.21
11	Minority Interest	41.22	19.60	100.02	48.20
12	Net Profit/Loss for the period	1,898.85	1,318.56	6,395.38	4,062.01
13	Paid-up equity share capital (Face value Rs.10/- each)	1,897.91	1,895.93	1,897.91	1,895.93
14	Reserves excluding revaluation reserves	20,405.63	9,590.32	20,405.63	9,590.32
15	Earnings per share (in Rs.)				
	a. Basic and diluted EPS before Extraordinary items				
	i) Basic	10.533	6.955	34.234	21.432
	ii) Diluted	10.527	6.944	34.193	21.413
	b. Basic and diluted EPS after Extraordinary items				
	i) Basic	10.533	6.955	34.234	21.432
	ii) Diluted	10.527	6.944	34.193	21.413
16	Public Shareholding				
	a. Number of shares	647,558,268	740,288,479	647,558,268	740,288,479
	b. Percentage of shareholding	34.12%	39.04%	34.12%	39.04%

Note : The consolidated financial results includes the results of Bharti Airtel Limited and its subsidiaries, Bharti Hexacom Limited, Bharti Airtel Services Limited, Bharti Aquanet Limited, Bharti Infratel Limited, Bharti Telemedia Limited, Bharti Airtel (USA) Limited, Bharti Airtel (UK) Limited, Bharti Airtel (Canada) Limited, Bharti Airtel (Hong Kong) Limited, Bharti Airtel Lanka (Private) Ltd, Bharti Airtel (Singapore) Private Limited, Bharti Airtel Holdings (Singapore) Pte Limited, Network i2i Limited, Bharti Infratel Lanka (Private) Limited (subsidiary of Bharti Airtel Lanka (Private) Limited) and Bharti Infratel Ventures Limited (subsidiary of Bharti Infratel Limited).

3. Segment Reporting – Audited as per Indian GAAP (as Consolidated Entity)

(In Rs Crore)

Particulars	Quarter Ended March 31,		Year Ended March 31,	
	2008	2007	2008	2007
	Audited	Audited	Audited	Audited
1. Segment Revenue				
Net sale/income from each segment				
a) Mobile Services	6,432.07	4,242.23	21,869.73	14,118.94
b) Telemedia Services	765.60	606.95	2,861.51	2,249.19
c) Enterprise Services - Carriers	1,260.94	1,011.40	4,379.81	3,495.04
d) Enterprise Services - Corporates	437.61	259.25	1,388.50	930.42
e) Passive Infrastructure Services #	602.32	-	602.32	-
f) Others	83.01	30.05	253.69	85.33
Total	9,581.55	6,149.88	31,355.56	20,878.92
Less: Inter Segment Eliminations	1,651.60	751.11	4,063.71	2,346.81
Net sales/Income	7,929.95	5,398.77	27,291.85	18,532.11
2. Segment Results				
Profit/(Loss) before tax and interest from each segment				
a) Mobile Services	1,684.06	1,125.63	5,926.87	3,490.86
b) Telemedia Services	190.88	80.38	610.87	169.81
c) Enterprise Services - Carriers	306.32	296.77	1,128.95	1,163.69
d) Enterprise Services - Corporates	191.93	106.73	524.50	329.31
e) Passive Infrastructure Services #	124.28	-	124.28	-
f) Others	(140.86)	(72.19)	(419.29)	(210.82)
Total	2,356.61	1,537.32	7,896.18	4,942.85
Less: Inter Segment Eliminations	35.94	4.91	56.76	15.69
Total profit/(loss) before tax and interest	2,320.67	1,532.41	7,839.42	4,927.16
Less :				
i) Interest	304.49	42.25	527.87	248.85
Total profit before tax	2,016.18	1,490.16	7,311.55	4,678.31
3. Capital Employed				
(Segment assets - Segment liabilities)				
a) Mobile Services	4,818.96	7,047.67	4,818.96	7,047.67
b) Telemedia Services	3,347.59	2,870.77	3,347.59	2,870.77
c) Enterprise Services - Carriers	3,049.69	1,922.26	3,049.69	1,922.26
d) Enterprise Services - Corporates	494.72	387.97	494.72	387.97
e) Passive Infrastructure Services #	11,140.25	-	11,140.25	-
f) Others	83.80	(368.97)	83.80	(368.97)
Total	22,935.01	11,859.70	22,935.01	11,859.70

Due to transfer of assets and liabilities of telecom infrastructure undertaking, under the Scheme of Demerger, from Bharti Airtel Limited to Bharti Infratel Limited, a new segment by the name "Passive Infrastructure Services" has been created in the consolidated financial results in compliance with the requirement of AS 17 on Segment Accounting. Since this is a new segment created due to demerger of the telecom infrastructure undertaking, there are no comparable previous period figures.

4. Summary of differences in net income/ profit between US GAAP (audited) and Indian GAAP (audited).

(In Rs Crore)

Particulars	Quarter Ended	Year Ended
	March 31, 2008	March 31, 2008
Net profit / (loss) as per US GAAP	1,852.90	6,700.80
Add: Differences on account of:		
Minority Interest and loss of Joint Venture	1.10	5.90
Deferred Tax expense	145.40	174.90
Less: Differences on account of:		
Amortization of Goodwill/ Intangibles	19.80	56.90
Being difference in revenue recognition	(8.80)	7.00
License fee amortization	19.50	63.20
Differences in accounting for finance charges	92.10	293.20
Remeasurement of financial instruments not applicable in IGAAP	(3.20)	0.50
Differential depreciation provided in IGAAP due to forex fluctuations not considered in US GAAP	(18.85)	(47.18)
Provision for current tax	0.00	112.60
Net profit/(loss) as per Indian GAAP	1,898.85	6,395.38

5. **Bharti Airtel Limited - Audited financial results for the fourth quarter and full year ended March 31, 2008 as per Indian GAAP (as Stand alone entity)**

(In Rs. Crore except ratios)

S. No.	Particulars	Quarter Ended March 31,		Year Ended March 31,	
		2008	2007	2008	2007
		Audited	Audited	Audited	Audited
1	Net Sales/ Income from Operations	7,413.73	5,218.73	25,703.51	17,794.43
2	Other Income	33.09	32.04	235.86	93.56
3	Total Revenue	7,446.82	5,250.77	25,939.37	17,887.99
4	Total Expenditure	5,341.92	3,748.61	18,483.11	13,030.78
	(a) Employee Cost	330.54	308.60	1,366.64	1,148.98
	(b) Depreciation and Amortization	762.94	673.98	3,280.63	2,353.30
	(c) License Fees and Spectrum Charges	746.37	492.43	2,583.82	1,638.43
	(d) Access and Interconnection Charges	1,205.21	919.68	4,038.53	3,095.86
	(e) Network Operating Expenses	1,130.92	535.32	3,300.47	1,921.41
	(f) Sales and Marketing	554.49	305.21	1,784.91	1,069.17
	(g) Administration and others	547.37	477.83	1,942.95	1,660.97
	(h) Other Expenditure	64.08	35.56	185.16	142.66
5	Interest Expense / (Income) Net	280.08	43.72	483.71	255.84
6	Profit/(Loss) from Ordinary Activities before tax	1,824.82	1,458.44	6,972.55	4,601.37
7	Tax Expenses	32.52	171.60	728.35	568.15
	-Current Tax	205.94	156.16	859.36	495.03
	-Fringe Benefit Tax	12.03	6.40	37.23	25.50
	-Deferred Tax	(185.45)	9.04	(168.24)	47.62
8	Net profit/(loss) from Ordinary Activities after tax	1,792.30	1,286.84	6,244.20	4,033.22
9	Extraordinary Items (net of tax expenses Rs.)	-	-	-	-
10	Net Profit(+)/ Loss (-) for the period	1,792.30	1,286.84	6,244.20	4,033.22
11	Paid-up equity share capital (Face value Rs.10/- each)	1,897.91	1,895.93	1,897.91	1,895.93
12	Reserves excluding revaluation reserves	18,340.23	9,545.21	18,340.23	9,545.21
13	Earnings per share (in Rs.)				
	a. Basic and diluted EPS before Extraordinary items				
	i) Basic	9.443	6.788	32.910	21.279
	ii) Diluted	9.439	6.777	32.870	21.260
	b. Basic and diluted EPS after Extraordinary items				
	i) Basic	9.443	6.788	32.910	21.279
	ii) Diluted	9.439	6.777	32.870	21.260
14	Public Shareholding				
	a. Number of shares	647,558,268	740,288,479	647,558,268	740,288,479
	b. Percentage of shareholding	34.12%	39.04%	34.12%	39.04%

- The above financial results for the fourth quarter and year ended March 31, 2008 have been reviewed by the Audit Committee in its meeting held on April 24, 2008 and approved by the Board of Directors in its meeting held on April 25, 2008.
- Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statement has been furnished to provide information about overall business of the Company and its subsidiaries.
- Previous year's / periods' figures have been regrouped / rearranged to conform to current period's classification, wherever required.
- During the quarter ended March 31, 2008, the Company has allotted 70,850 new equity shares to the employees of the Company upon exercise of stock options as per ESOP Scheme 2005. As a result, the paid up equity share capital of the company stands increased from Rs. 1,897.84 crore to Rs. 1,897.91 crore as on March 31, 2008.
- Reserves and surplus as at March 31, 2008 include Rs. 56.40 crore towards employee stock option outstanding (net of the related deferred cost) account.

6. During the quarter ended on March 31, 2008, Bharti Infratel Lanka Private Limited, a wholly owned subsidiary of Bharti Airtel Lanka (Private) Limited (a wholly owned subsidiary of Bharti Airtel Limited) was incorporated to build, maintain & operate passive infrastructure facilities in Sri Lanka.
7. The Scheme of Arrangement ("the Scheme") between Bharti Airtel Limited ('Bharti Airtel' or "Company") and Bharti Infratel limited ('BIL') for transfer of assets and liabilities of passive telecom infrastructure undertaking, as defined in the Scheme ('the Telecom Infrastructure'), from Bharti Airtel to BIL was approved by the Hon'ble High Court of Delhi vide order dated November 26, 2007 and filed with the Registrar of Companies, Delhi & Gurgaon on January 31, 2008 i.e. the Effective Date of the Scheme. The Scheme has, accordingly, been given effect to in these financial statements and pursuant to the terms of the Scheme; (i) the company has transferred the telecom Infrastructure worth Rs. 5,736.60 Crore to BIL at Nil value. (ii) the Company has revalued its investments in BIL and recorded the same at its fair value of Rs 8,218.12 Crore . The Reserve for Business Restructuring arising there on net of (i) above stands at Rs. 2,481.52 in the Balance Sheet as of March 31, 2008 and the above treatment has been followed in accordance with the treatment prescribed in the Scheme sanctioned by the Hon'ble High Court & there is no impact of it in the Profit & Loss Account, as per the Scheme.
8. The Company has acquired 1,00,000 (equivalent to 2%) equity shares of Rs. 10 each of IFFCO Kishan Sanchar Limited for a consideration of Rs 5.01 Crore.
9. During the quarter, the Company contributed GBP 0.40 million towards equity enhancement in its wholly owned subsidiary Bharti Airtel (UK) Limited.
10. Bharti Aquanet Limited (Aquanet), wholly owned subsidiary of the Company has filed a Scheme of arrangement for its Amalgamation into Bharti Airtel Limited (Bharti Airtel) with the Hon'ble High Court of Delhi on April 21, 2008. The Scheme will be effective from the date of filing of the Certified Copy of the order of the Hon'ble High Court, with the Registrar of Companies.
11. As per legal advice received, the Company has continued with its accounting policy to adjust foreign exchange fluctuation on loans/liability for fixed assets as per the requirement of Schedule VI of the Companies Act, 1956, which is at variance to the treatment prescribed in Accounting Standard (AS-11) "Effect of Changes in Foreign exchange Rates" notified in the Companies (Accounting Standard) Rules 2006 dated December 7, 2006. Had the treatment as prescribed by the Companies (Accounting Standard) Rules 2006 been followed, the net profit after tax would have been lower by Rs 41.09 Crore and higher by Rs 89.49 Crore for the quarter and year ended March 31, 2008, respectively, for the Company and the net profit after tax would have been lower by Rs 48.61 Crore and higher by Rs 87.06 Crore for the quarter and year ended March 31, 2008, respectively, for the Group.
12. The Company, effective April 1, 2007, has adopted the treatment specified by the ICAI in its announcement dated March 30, 2008 for accounting of derivatives on a marked-to-market basis and has consequently recorded loss of Rs 204.50 Crore (including Rs 123.01 Crore towards embedded derivatives) in the profit & loss account, for the year ended March 31, 2008. Since the above changes have been effective April 1, 2007, the previous year comparative figures have not been disclosed.
13. During the quarter, the Company has sold 30,00,000 equity shares (14.28%) in Forum I Aviation Limited to its wholly owned subsidiary, Bharti Airtel Services Limited at par.
14. Leading international investors have invested an amount of USD 1.35 billion in aggregate, towards 4,050 Equity Shares of Rs 10 each (of which 3,825 shares issued as on March 31, 2008) and 32,03,550 fully and compulsory convertible, non-cumulative, unsecured and interest free Debentures of Rs 10,000 each (of which 30,25,575 Debentures issued as on March 31,2008), in Bharti Infratel Limited.
15. Status of investor complaints as on March 31, 2008 is as follows:

Complaints pending as on January 1, 2008	Nil
Complaints received during the quarter	2
Complaints resolved during the quarter	2
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Pending as on March 31, 2008	Nil
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6. Segment Reporting - Audited as per Indian GAAP (as Stand alone entity)

(In Rs Crore)

Particulars	Quarter Ended March 31		Year Ended March 31,	
	2008	2007	2008	2007
	Audited	Audited	Audited	Audited
1. Segment Revenue				
Net sale/income from each segment				
a) Mobile Services	6,018.25	4,025.80	20,603.05	13,430.52
b) Telemedia Services	759.35	600.44	2,840.00	2,238.56
c) Enterprise Services - Carriers	1,249.12	1,015.25	4,340.89	3,489.34
d) Enterprise Services - Corporates	365.53	240.82	1,264.47	852.06
e) Others	0.87	0.10	4.99	2.43
Total	8,393.12	5,882.41	29,053.40	20,012.91
Less: Inter Segment Eliminations	946.30	631.64	3,114.03	2,124.92
Net sales/Income	7,446.82	5,250.77	25,939.37	17,887.99
2. Segment Results				
Profit/(Loss) before tax and interest from each segment				
a) Mobile Services	1,542.17	1,056.26	5,538.82	3,329.99
b) Telemedia Services	190.46	81.36	613.62	172.70
c) Enterprise Services - Carriers	314.15	315.03	1,160.07	1,193.97
d) Enterprise Services - Corporates	172.35	106.70	505.47	329.56
e) Others	(114.24)	(57.19)	(361.72)	(169.01)
Total profit/(loss) before tax and interest	2,104.89	1,502.16	7,456.26	4,857.21
Less :				
i) Interest	280.08	43.72	483.71	255.84
Total profit before tax	1,824.81	1,458.44	6,972.55	4,601.37
3. Capital Employed				
(Segment assets - Segment liabilities)				
a) Mobile Services	5,299.83	6,442.63	5,299.83	6,442.63
b) Telemedia Services	3,375.77	2,893.00	3,375.77	2,893.00
c) Enterprise Services - Carriers	3,058.49	1,914.35	3,058.49	1,914.35
d) Enterprise Services - Corporates	501.22	469.78	501.22	469.78
e) Others	8,070.05	(74.14)	8,070.05	(74.14)
Total	20,305.36	11,645.62	20,305.36	11,645.62

For Bharti Airtel Limited

Sd/-

New Delhi
April 25, 2008

Sunil Bharti Mittal
Chairman & Managing Director

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