

Quarterly report on the results for the first quarter ended June 30, 2013

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 Africa acquires 100% stake in Warid Telecom, Uganda

airtel money launches India's 1st mobile based railway ticketing service

airtel bags "Enterprise Telecom Service Provider of the Year" award at the 2013 Frost & Sullivan India ICT awards



The image displays three promotional posters for Airtel services. The first poster, titled "ticket in a minute", features a man in a green shirt holding a mobile phone, with the text "dial #400#". The second poster, titled "creating smiles is certainly rewarding", shows a group of people sitting on a train platform, with the text "we got the award declared as the Enterprise Telecom Service Provider of the Year by Frost & Sullivan". The third poster, titled "One wedding gift that will make 7.2 million Ugandans smile", shows a group of people in traditional Ugandan attire, with the text "Warid Telecom acquires 100% stake in Airtel Africa" and "Call 181 and let the celebrations begin".

July 31, 2013

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 “A.2.4 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 40

Others: In this report, the terms “we”, “us”, “our”, “Bharti”, or “the Company”, unless otherwise specified or the context otherwise implies, refer to Bharti Airtel Limited (“Bharti Airtel”) and its subsidiaries, Bharti Hexacom Limited (“Bharti Hexacom”), Bharti Airtel (Services) Limited, Bharti Infratel Limited (Bharti Infratel), Bharti Infratel Ventures Limited

(subsidiary of Bharti Infratel Limited), Bharti Telemedia Limited (Bharti Telemedia), Bharti Airtel (USA) Limited, Bharti Airtel (UK) Limited, Bharti Airtel (Canada) Limited, Bharti Airtel (Hong Kong) Limited, Bharti Airtel Lanka (Private) Limited, 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 DTH Services Ghana Limited, Airtel DTH Services Malawi Limited, Airtel DTH Services Uganda Limited, 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 Burkina Faso S.A., Airtel DTH Services Congo (RDC) S.p.r.l, Airtel DTH Services Congo S.A., Airtel DTH Services Gabon S.A., Airtel DTH Services Nigeria Limited, Airtel DTH Services Tanzania 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, Wireless Broadband Business Services (Delhi) Private Limited, Wireless Broadband Business Services (Haryana) Private Limited, Wireless Broadband Business Services (Kerala) Private Limited, 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	UNITS	Full Year Ended			Quarter Ended				
		2011 ⁴	2012 ⁴	2013 ⁴	Jun 2012 ⁴	Sep 2012 ⁴	Dec 2012 ⁴	Mar 2013 ⁴	Jun 2013 ⁴
Operating Highlights									
Total Customer Base	000's	220,877	251,646	271,227	260,710	262,555	262,275	271,227	274,917
Total Minutes on Network	Mn Min	890,093	1,020,615	1,127,150	274,616	274,820	284,041	293,672	301,366
Sites on Network	Nos	131,304	141,059	156,905	147,010	151,219	153,907	156,905	158,613
Total Employees	Nos	23,371	19,956	25,710	20,360	20,749	22,590	25,710	26,042
No. of countries of operation	Nos	19	20	20	20	20	20	20	20
Population Covered	Bn	1.83	1.84	1.85	1.84	1.85	1.85	1.85	1.85
Consolidated Financials (Rs Mn)									
Total Revenue	Rs Mn	595,383	683,267	769,045	185,601	193,999	193,624	195,821	202,639
EBITDA	Rs Mn	200,718	222,025	232,579	54,856	59,369	57,749	60,605	65,449
EBIT	Rs Mn	98,652	94,949	84,431	18,955	22,478	20,399	22,601	26,979
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	180,581	193,899	195,643	45,884	50,370	47,914	51,475	59,113
Profit before Tax	Rs Mn	76,782	63,792	47,853	12,294	14,210	9,032	12,318	16,125
Net income	Rs Mn	60,467	42,594	22,757	7,622	7,212	2,837	5,086	6,889
Capex	Rs Mn	140,100	128,150	126,451	33,689	37,752	22,132	32,878	22,954
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	60,617	93,874	106,128	21,167	21,618	35,617	27,727	42,495
Net Debt	Rs Mn	599,512	618,442	581,283	654,424	610,526	582,176	581,283	583,806
Shareholder's Equity	Rs Mn	487,668	506,113	503,217	495,150	493,070	516,274	503,217	575,307
Consolidated Financials (US\$ Mn)									
Total Revenue ¹	US\$ Mn	13,063	14,284	14,129	3,437	3,515	3,558	3,619	3,628
EBITDA ¹	US\$ Mn	4,403	4,641	4,273	1,016	1,076	1,061	1,120	1,172
EBIT ¹	US\$ Mn	2,163	1,985	1,551	351	407	375	418	483
Cash profit from operations before Derivative & Exchange Fluctuations ¹	US\$ Mn	3,961	4,053	3,594	850	913	881	951	1,058
Profit before Tax ¹	US\$ Mn	1,682	1,334	879	228	257	166	228	329
Net income ¹	US\$ Mn	1,325	890	418	141	131	52	94	123
Capex ¹	US\$ Mn	3,072	2,679	2,323	624	684	407	608	411
Operating Free Cash Flow (EBITDA - Capex)	US\$ Mn	1,330	1,962	1,950	392	392	655	512	761
Net Debt ²	US\$ Mn	13,427	12,089	10,687	11,622	11,586	10,628	10,687	9,779
Shareholder's Equity ²	US\$ Mn	10,922	9,893	9,252	8,793	9,357	9,425	9,252	9,637
Key Ratios									
EBITDA Margin	%	33.7%	32.5%	30.2%	29.6%	30.6%	29.8%	30.9%	32.3%
EBIT Margin	%	16.6%	13.9%	11.0%	10.2%	11.6%	10.5%	11.5%	13.3%
Net Profit Margin	%	10.2%	6.2%	3.0%	4.1%	3.7%	1.5%	2.6%	3.4%
Net Debt to Funded Equity Ratio	Times	1.23	1.22	1.16	1.32	1.24	1.13	1.16	1.01
Net Debt to EBITDA (LTM) - US\$	Times	2.95	2.60	2.50	2.56	2.59	2.43	2.50	2.21
Net Debt to EBITDA (Annualised) - US\$	Times	2.95	2.60	2.50	2.86	2.69	2.50	2.39	2.09
Interest Coverage ratio	Times	11.20	9.09	6.77	6.53	6.67	6.62	7.26	7.44
Return on Shareholder's Equity	%	13.3%	8.6%	4.5%	7.7%	7.1%	5.6%	4.5%	4.3%
Return on Capital employed	%	10.8%	7.1%	5.7%	6.5%	6.0%	5.9%	5.6%	6.0%
Valuation Indicators									
Market Capitalization	Rs Bn	1,358	1,279	1,108	1,158	1,006	1,203	1,108	1,165
Market Capitalization	US\$ Bn	30.4	25.0	20.4	20.6	19.1	22.0	20.4	19.5
Enterprise Value	Rs Bn	1,957	1,897	1,689	1,813	1,616	1,785	1,689	1,749
EV / EBITDA (Annualised)	Times	9.75	8.55	7.26	8.26	6.81	7.73	6.97	6.68

1. Average exchange rates used for Rupee conversion to US\$ is (a) Rs. 45.60 for the financial year ended March 31, 2011 (b) Rs. 47.84 for the financial year ended March 31, 2012 (c) Rs. 54.43 for the financial year ended March 31, 2013 (d) Rs. 54.00 for the quarter ended June 30, 2012 (e) Rs. 55.19 for the quarter ended September 30, 2012 (f) Rs. 54.42 for the quarter ended December 31, 2012 (g) Rs. 54.12 for the quarter ended March 31, 2013 (h) Rs. 55.86 for the quarter ended June 30, 2013 based on the RBI Reference rate.

2. Closing exchange rates used for Rupee conversion to US\$ is (a) Rs. 44.65 for the financial year ended March 31, 2011 (b) Rs. 51.16 for the financial year ended March 31, 2012 (c) Rs. 54.39 for the quarter and financial year ended March 31, 2013 (d) Rs. 56.31 for the quarter ended June 30, 2012 (e) Rs. 52.70 for the quarter ended September 30, 2012 (f) Rs. 54.78 for the quarter ended December 31, 2012 (g) Rs. 59.70 for the quarter ended June 30, 2013 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. Figures for full year ended 2012, 2013 and quarters ended Jun 2012, Sep 2012, Dec 2012 and Mar 2013 has been restated for change in accounting for joint ventures. Figures for full year ended 2011 is reported on proportionate consolidation basis. Refer section 5.1.1 on "Consolidation of Joint Ventures: Proportionate Consolidation to Equity Accounting" on page 19 and Refer section 5.4.1 on "Impact of equity accounting for joint ventures on consolidated financials" on page 24 for details.

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

Section 2

AN OVERVIEW

2.1 Introduction

We are one of the world's leading providers of telecommunication services with significant presence in 20 countries including India, Bangladesh, Sri Lanka and 17 countries in Africa. We served close to 275 million customers as on June 30, 2013.

Our bouquet of services include telecommunication services under wireless and fixed line technology, integrated suite of telecom solutions to our enterprise customers and providing long distance connectivity both nationally and internationally. We also offer Digital TV and IPTV Services. All these services are rendered under a unified brand "airtel". The Company also deploys, owns and manages Tower infrastructure pertaining to telecom operations through its subsidiary & joint venture entity.

2.2 Business Divisions

2.2.1 India

The operations of Bharti Airtel in India is divided into two distinct Customer Business Units (CBU) with clear focus on B2C (Business to Customer) and B2B (Business to Business) segments. The B2C organization consists of Consumer Business and Market Operations. The B2B business unit (Airtel Business) focuses on serving large corporate and carriers through Bharti Airtel's wide portfolio of telecommunication solutions.

B2C Services:

Mobile Services (India) - We offer mobile services using GSM technology in India, serving close to 191 million customers as on June 30, 2013, which makes us the largest wireless operator in the country both in terms of customers and revenues.

We offer postpaid, pre-paid, roaming, internet, m-Commerce and other value added services through our extensive sales and distribution network covering over 1.5 million outlets. Our network is present in 5,121 census towns and 460,682 non-census towns and villages in India, covering approximately 86.7% of the country's population. We also provide 3G services in key cities of the country offering host of innovative services to our customers like Mobile TV, video calls, live streaming of videos, gaming along with access to high speed internet. We have 8.7 million active 3G customers of which 6.8 million are active 3G data customers as on June 30, 2013.

Our Airtel Money is a prepaid mobile wallet that can run on any Airtel GSM cell phone. The product has been consistently gaining acceptance with services like bill payments, e-ticketing, mobile recharges, DTH recharges, money transfers and e-commerce. In June 2013, airtel money launched the first ever non-internet mobile based rail ticketing system with IRCTC.

Airtel 4G services, currently present in 4 markets, offer the fastest wireless internet service to customers. It provides multi-tasking capabilities like superfast downloads, seamless video calling & HD video streaming without any buffering.

Airtel has ventured into e-commerce market with the launch of 'Airtel Online', aiming to drive digital commerce across all business units and create differentiated customer experience.

'Airtel Own Retail' - self owned retail stores have been launched on the theme of 'Service to Sell'. Stores will focus on driving data adoption and penetration among customers along with enhancing their overall experience.

Our national long distance infrastructure comprises of 173,217 Rkms of optical fibre, thereby providing a pan India reach.

Telemedia Services – Telemedia Services is India's leading fixed line provider for broadband (DSL) for the Homes Segment and data & telephone services (fixed line) for the Office segment in 87 cities. It has 3.3 million fixed line customers of which 1.4 million have subscribed to broadband services as on June 30, 2013.

In the Homes segment, our product offerings include High Speed Broadband (up to 100 mbps speeds) along with local, national and international long distance voice connectivity. In the Office segment, we are a trusted solution provider for voice and data connectivity, offering services like fixed line voice (PRIs), internet leased lines, MPLS etc. We also provide mobile enablement solutions like BYOD and mobile tracking as part of our Office solution suite. Our cloud portfolio includes cloud enablement platform offering solutions like ERP, CRM, mail, storage and compute on a 'pay as you go' model for our SMB customers.

Digital TV Services – Airtel digital TV has 8.5 million customers on its Direct-To-Home (DTH) platform. We offer High Definition (HD) Set Top Boxes with recording facility, and HD-DVR recorder boxes with 3D capabilities, delivering superior customer experience. We currently offer a total of 373 channels and services including 17 HD channels and 5 interactive services. We are the first Company in India to provide real-time integration of all the three screens viz. television, mobile and computer enabling our customers to record their favorite TV programs through mobile and web. A new smart feature - 'On Demand TV' has been launched on HD set top box, enabling customers to connect the box to their broadband connection and enjoy seamless downloads of their favourite videos from an on-demand video library.

B2B Services:

Airtel Business – Airtel business is India's leading and most trusted provider of ICT services that provides a diverse portfolio of services including voice, data, video, network integration, data center, managed services, enterprise mobility applications and digital media. Airtel business consistently delivers cutting edge integrated solutions, superior customer service and unmatched depth/reach to global markets, to enterprises, governments, carriers and small & medium businesses.

Its data center & managed services including entire suite of managed hosting, storage, data security and cloud services have enabled a 'One solution, bill, support, face' experience to customers. Its digital media services and centralized online media management platform will play a vital role in linking content owners, production facilities and multiple screens across the globe. It is also creating business transformation through mobility by enabling end to end mobility data management, BYOD and machine to machine communication.

It offers global services for both voice and data including voice termination, VAS services like ITFS, SMS hubbing and connectivity services. Its strategically located submarine cable systems across the world and satellite connectivity in hard to reach areas enable the customers to connect and communicate from anywhere to everywhere in the world.

The airtel global network runs across 225,000 Rkms, covering 50 countries and 5 continents. Airtel's international infrastructure includes ownership of i2i submarine cable system connecting Chennai to Singapore, consortium ownership of SMW4 submarine cable system connecting Chennai and

Mumbai to Singapore and Europe, and other cable system investments like Asia America Gateway (AAG), India Middle East & Western Europe (IMEWE), Unity, EIG (Europe India Gateway) and East Africa Submarine System (EASSy). It also has terrestrial express connectivity to neighboring countries including Nepal, Pakistan, Bhutan and China.

Tower Infrastructure Services – We provide tower infrastructure services through our subsidiary, Bharti Infratel and Indus Towers, a joint venture in which Bharti Infratel, Vodafone India and Aditya Birla Telecom hold equity interests of 42%, 42% and 16% respectively.

On a consolidated basis, Bharti Infratel is one of the largest tower infrastructure providers in India, based on the number of towers that Bharti Infratel owns and operates and the number of towers owned or operated by Indus, that are represented by Bharti Infratel's 42% equity interest in Indus. The business of Bharti Infratel and Indus is to acquire, build, own and operate tower and related infrastructure. Bharti Infratel and Indus currently provide access to their towers primarily to wireless telecommunications service providers on a shared basis, under long-term contracts.

We have a nationwide presence with operations in all 22 telecommunications Circles in India, with Bharti Infratel's and Indus' operations overlapping in four telecommunications Circles. As of June 30, 2013, Bharti Infratel owned and operated 35,288 towers in 11 telecommunications Circles while Indus operated 111,983 towers in 15 telecommunications Circles. With Bharti Infratel's towers and Bharti Infratel's 42% interest in Indus, we have an economic interest in the equivalent of 82,321 towers in India as of June 30, 2013.

Bharti Infratel is listed on Indian Stock exchanges, NSE & BSE.

2.2.2 International

Africa – We offer mobile services 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. This makes Airtel's footprint across Africa, the largest amongst all telecommunication service providers in the continent. We currently serve 64.2 million customers across these geographies offering wide range of services which includes post-paid, pre-paid, roaming, one-network, airtel money, internet services, content, media & entertainment and other non-voice services.

Innovation in product offerings & technology along with focus on 3G data and m-Commerce continues to be the next growth frontier for the Company. Airtel is focused on 3G through roll-out of new sites across markets to increase the user base. We are now offering 3G services in 14 countries with recent launches in Burkina Faso and DRC in the quarter ended June 30, 2013.

Our offerings under 'Airtel Money' brand allow our customers to enjoy the convenience of banking and money transfers on their mobile phones over secure and stable platforms in all the 17 countries across Africa.

Several products and services like MPLS, IPLC, cloud services, voice services etc. are being offered under 'Airtel Business' brand for corporate customers across select markets.

South Asia - Airtel Bangladesh has 6.34 million customers and offers mobile services across 64 districts of Bangladesh with a distribution network comprising of around 102,000 retailers across the country. The burgeoning economy of Bangladesh coupled with growing population coverage of nearly 78% presents a unique market opportunity for telecom services.

Airtel Sri Lanka has 1.7 million customers with presence in all 25 administrative districts of Sri Lanka. We have launched 3.5G

services in major towns and have created a nationwide distribution network comprising of over 40,500 retailers.

2.3 Partners

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

Equipment and Technology Partners - We have long term strategic partnerships in all areas including network equipment, Information technology and call center technology building upon the unique outsourcing business models we pioneered. Our business models have enabled us to partner with global leaders who share our drive for co-creating innovative and tailor-made solutions for the markets we operate in.

For 2G/2.5G and 3G network equipments, we have partnered with Ericsson, Nokia Siemens Networks (NSN) and Huawei for the markets in India, Africa, Sri Lanka and Bangladesh.

We have partnered with ZTE, Huawei & NSN for our TD-LTE (popularly known as 4G) networks in the BWA telecom circles of Kolkata & Punjab, Karnataka and Maharashtra respectively.

For India, we have also entered into Supply & Services Contracts for enhanced packet core with Cisco, NSN & Huawei. These partners will design, deploy and maintain a state of the art packet core system to handle data traffic from 2G, 3G & LTE access networks. For Africa, Ericsson is our enhanced packet core partner in the 16 countries.

For Wi-Fi, we have selected Cisco, Ericsson & Alcatel Lucent-Ruckus combine. These partners are deploying Wi-Fi hot spots in the top cities basis our business requirements.

Besides wireless network with strategic partners, we have also partnered with Alcatel Lucent, Huawei, ECI, Tejas Networks and Cisco for fiber/carrier Ethernet based 3G backhaul products supply and deployment.

IBM is our strategic partner for all business and enterprise IT systems. Our path breaking contract with IBM caters to, among other things, technology evolution, scale, tariff changes and subscriber growth. It is a Global IT outsourcing contract covering India, Bangladesh, Sri Lanka and African regions thereby taking our relationship to a truly global level. Under this contract, IBM will provide and run all telecom-related IT systems, software and services to support business requirements. It is helping Bharti Airtel derive economies of scale benefits, while ensuring similar customer services and experience across regions.

IBM Daksh, Wipro, Mphasis, FirstSource, Aegis, Teleperformance, Tech Mahindra and HGSL are our call centre partners and provide an excellent customer experience through dedicated contact center operations. Our existing call centre technology partners are Avaya, Wipro and Cisco. We have partnered with Infosys in India and Comviva in Africa for our Airtel m-Commerce services. We have also launched cloud based services in partnership with HP and Microsoft.

We work with other renowned organizations such as Comviva, OnMobile, Comverse, Acision, Google and Spice Digital, among others, to provide each of our customers with a unique experience in VAS like CRBT (caller ring back tone), Talk2Me (Interactive sessions with Celebrities), SMS, Music on Demand, Airtel Talkies (Movies via Audio), Buddy Finder, Email services and other Airtel Live applications. We also have an alliance with RIM for selling Blackberry enterprise & internet services. We have also tied up with Nokia, and Blackberry to bring apps to our customers from their respective App stores.

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 33 - 35). Also, kindly refer to Section 7.4 - use of Non-GAAP financial information (page 40) and Glossary (page 57) 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		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	202,639	185,601	9%
EBITDA	65,449	54,856	19%
<i>EBITDA / Total revenues</i>	<i>32.3%</i>	<i>29.6%</i>	
EBIT	26,979	18,955	42%
Finance cost (net)	11,676	7,367	58%
Share of results of Joint Ventures/Associates	822	706	16%
Profit before Tax ⁷	16,125	12,294	31%
Income tax expense ⁷	8,573	4,543	89%
Net income ⁸	6,889	7,622	-10%
Capex	22,954	33,689	-32%
Operating Free Cash Flow (EBITDA - Capex)	42,495	21,167	101%
Cumulative Investments	2,010,123	1,803,201	11%

Note 6: Refer section 5.1.1 on "Consolidation of Joint Ventures: Proportionate Consolidation to Equity Accounting" on page 19 and Refer section 5.4.1 on "Impact of equity accounting for joint ventures on consolidated financials" on page 24 for details.

Note 7: Profit before Tax and Income Tax expense reported above excludes the impact of exceptional items.

Note 8: Net Income for the quarter ended June 30, 2013, includes the impact of exceptional items. Refer section 5.5.3 on "Exceptional Items" on page 26 for details.

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs mn

Particulars	As at	As at
	June 30, 2013	March 31, 2013 ⁹
Assets		
Non-current assets	1,524,896	1,395,347
Current assets	256,370	196,906
Total assets	1,781,266	1,592,253
Non-current liabilities	606,915	627,603
Current liabilities	555,318	420,547
Total liabilities	1,162,233	1,048,150
Equity & Non Controlling Interests		
Equity	575,307	503,217
Non-Controlling Interests	43,726	40,886
Total Equity & Non Controlling Interests	619,033	544,103
Total Equity and liabilities	1,781,266	1,592,253

Note 9: Consequent to the change in accounting for Joint venture from proportionate consolidation to Equity accounting, the total assets (excluding investment in associates/joint ventures) and liabilities as on March 31, 2013 is lower by Rs 92,289 million and Rs 80,979 million from the earlier reported financial position with no changes to Equity. Consequently, "Investment in associates/joint ventures" has increased by Rs 11,310 million.

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 Jun 2013			Quarter Ended Jun 2012		
	India	International	Total	India	International	Total
Total revenues	141,233	63,222	202,639	126,573	60,440	185,601
EBITDA	49,316	16,063	65,449	40,385	14,495	54,856
<i>EBITDA / Total revenues</i>	<i>34.9%</i>	<i>25.4%</i>	<i>32.3%</i>	<i>31.9%</i>	<i>24.0%</i>	<i>29.6%</i>
EBIT	24,253	2,656	26,979	16,978	2,000	18,955
Profit before Tax	20,785	(3,996)	16,125	19,959	(7,642)	12,294
Net income (before exceptional items)	14,788	(7,034)	7,090	15,802	(8,157)	7,622
Exceptional Items (net) ¹¹			201			0
Net income			6,889			7,622
Capex	12,800	10,155	22,954	25,264	8,425	33,689
Operating Free Cash Flow (EBITDA - Capex)	36,516	5,908	42,495	15,121	6,070	21,167
Cumulative Investments	1,127,138	882,985	2,010,123	1,028,727	774,474	1,803,201

Note 10: Profit before tax for the quarter ended June 30, 2013, does not include the impact of exceptional items.

Note 11: Refer section 5.5.3 on "Exceptional Items" on page 26 for details.

Note 12: 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 A.2.4 Key Accounting Policies as per IFRS)

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs mn

Particulars	As at Jun 30, 2013			
	India	International	Eliminations	Total
Assets				
Non-current assets	913,623	776,662	(165,388)	1,524,896
Current assets	219,754	59,878	(23,262)	256,370
Total assets	1,133,377	836,539	(188,650)	1,781,266
Liabilities				
Non-current liabilities	105,364	501,551	0	606,915
Current liabilities	274,604	304,016	(23,301)	555,318
Total liabilities	379,968	805,567	(23,301)	1,162,233
Equity & Non Controlling Interests				
Equity	705,090	36,498	(166,281)	575,307
Non controlling interests	48,319	(5,525)	932	43,726
Total Equity & Non Controlling Interests	753,410	30,972	(165,349)	619,033
Total Equity and liabilities	1,133,377	836,539	(188,650)	1,781,266

Note 13: South Asia earlier reported under India SA is now included under International. Refer section 5.1.2 on "Region wise reporting changes" on page 19 for details.

3.3 Segment wise Summarized Statement of Operations

INDIA

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	141,233	126,573	12%
EBITDA	49,316	40,385	22%
<i>EBITDA / Total revenues</i>	34.9%	31.9%	
EBIT	24,253	16,978	43%
Capex	12,800	25,264	-49%
Operating Free Cash Flow (EBITDA - Capex)	36,516	15,121	141%
Cumulative Investments	1,127,138	1,028,727	10%

Note 14: South Asia earlier reported under India SA is now included under International. Refer section 5.1.2 on "Region wise reporting changes" on page 19 for details.

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		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	116,013	104,635	11%
EBITDA	37,633	31,266	20%
<i>EBITDA / Total revenues</i>	32.4%	29.9%	
EBIT	20,979	16,245	29%
Capex	7,907	18,200	-57%
Operating Free Cash Flow (EBITDA - Capex)	29,726	13,066	128%
Cumulative Investments	788,507	694,427	14%

Note 15: South Asia earlier reported under Mobile Services (India SA) is now included under International. Refer section 5.1.2 on "Region wise reporting changes" on page 19 for details.

Note 16: Refer section 5.1.3.a on "Segmental changes in India Operations: Mobile Services (India)" on page 19 for details.

Note 17: Refer section 5.1.3.e on "Allocation of common expenses" on page 19 for details.

3.3.2 Telemedia Services

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	9,484	8,889	7%
EBITDA	3,764	3,530	7%
<i>EBITDA / Total revenues</i>	39.7%	39.7%	
EBIT	1,439	1,572	-8%
Capex	660	1,317	-50%
Operating Free Cash Flow (EBITDA - Capex)	3,104	2,213	40%
Cumulative Investments	75,692	72,403	5%

Note 18: Refer section 5.1.3.b on "Segmental changes in India Operations: Telemedia Services" on page 19 for details.

Note 19: Refer section 5.1.3.e on "Allocation of common expenses" on page 19 for details.

3.3.3 Digital TV Services

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	4,900	3,658	34%
EBITDA	760	(23)	3362%
<i>EBITDA / Total revenues</i>	15.5%	-0.6%	
EBIT	(1,156)	(2,265)	49%
Capex	2,239	3,241	-31%
Operating Free Cash Flow (EBITDA - Capex)	(1,479)	(3,264)	55%
Cumulative Investments	42,596	35,402	20%

B2B Services

3.3.4 Airtel Business

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	14,036	11,906	18%
EBITDA	2,765	1,814	52%
<i>EBITDA / Total revenues</i>	19.7%	15.2%	
EBIT	1,422	431	230%
Capex	281	166	69%
Operating Free Cash Flow (EBITDA - Capex)	2,484	1,648	51%
Cumulative Investments	42,886	42,927	0%

Note 20: Refer section 5.1.3.e on "Allocation of common expenses" on page 19 for details.

3.3.5 Tower Infrastructure Services

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	12,832	11,787	9%
EBITDA	5,745	5,250	9%
<i>EBITDA / Total revenues</i>	44.8%	44.5%	
EBIT	1,916	1,551	24%
Share of results of joint ventures/associates	922	775	19%
Capex	1,727	2,215	-22%
Operating Free Cash Flow (EBITDA - Capex)	4,018	3,035	32%
Cumulative Investments	170,017	176,606	-4%

Note 21: Refer section 5.1.3.d on "Segmental changes in India Operations: Tower Infrastructure Services" on page 19 for details. Also, refer section 5.4.2 on page 25 for the impact of equity accounting on statement of operations of Tower Infrastructure Services for the prior periods.

Note 22: Pursuant to the merger of Bharti Infratel Ventures Limited (BIVL), a subsidiary of Bharti Infratel Ltd. with Indus Towers Ltd. Effective June 10, 2013; the IRU arrangement between BIVL and Indus Towers Ltd. ceases to exist as it is no longer required post the merger. Consequently, the separate IRU income and expense accounting in the consolidated financials is no longer required.

Others

3.3.6 Others (India)

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	791	808	-2%
EBITDA	(321)	(540)	41%
EBIT	(331)	(543)	39%
Capex	(0)	125	-100%
Operating Free Cash Flow (EBITDA - Capex)	(321)	(665)	52%
Cumulative Investments	7,440	6,961	7%

Note 23: Refer section 5.1.3.c on "Segmental changes in India Operations: Others" on page 19 for details.

Note 24: Refer section 5.1.3.e on "Allocation of common expenses" on page 19 for details.

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

In INR:

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	63,222	60,440	5%
EBITDA	16,063	14,495	11%
<i>EBITDA / Total revenues</i>	<i>25.4%</i>	<i>24.0%</i>	
EBIT	2,656	2,000	33%
Capex	10,155	8,425	21%
Operating Free Cash Flow (EBITDA - Capex)	5,908	6,070	-3%
Cumulative Investments	882,985	774,474	14%

In USD:

Amount in US \$ mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	1,132	1,119	1%
EBITDA	286	267	7%
<i>EBITDA / Total revenues</i>	<i>25.3%</i>	<i>23.9%</i>	
EBIT	46	36	30%
Capex	181	156	16%
Operating Free Cash Flow (EBITDA - Capex)	106	111	-5%
Cumulative Investments	14,790	13,753	8%

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

Amount in US \$ mn, except ratios

Particulars	Quarter Ended		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues ²⁸	1,062	1,066	0%
EBITDA	283	275	3%
<i>EBITDA / Total revenues</i>	26.7%	25.8%	
EBIT	64	62	5%
Capex	165	119	38%
Operating Free Cash Flow (EBITDA - Capex)	118	156	-24%
Cumulative Investments	13,947	13,044	7%

Note 25: Africa financials reported above are in their functional currency i.e., US\$.

Note 26: Results for the quarter ended June 30, 2013 also includes financials of Warid Uganda for 49 days post its acquisition on May 13, 2013.

Note 27: In constant currency terms, the reported revenues of \$ 1,062 million for the quarter ended June 30, 2013, represents a YoY growth of 1.0% (Refer page 44 for revenues in constant currency).

Note 28: Total revenues for the quarter ended June 30, 2013 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 \$ 885 million and \$ 841 million for the quarter ended Jun-13 and Jun-12 respectively, representing a YoY growth of 5.3%. (Refer page 44 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		
	Jun-13	Jun-12	Y-on-Y Growth
Total revenues	70	53	32%
EBITDA	3	(8)	136%
<i>EBITDA / Total revenues</i>	4.1%	-15.0%	
EBIT	(18)	(26)	30%
Capex	16	37	-57%
Operating Free Cash Flow (EBITDA - Capex)	(13)	(45)	72%
Cumulative Investments	843	709	19%

Note 29: South Asia earlier reported under India SA is now included under International (Refer section 5.1.2 on "Region wise reporting changes" on page 19 for details) and is reported in its presentation currency i.e. US\$.

3.4 Region wise & Segment wise Investment & Contribution

3.4.1 India

Amount in Rs mn, except ratios

Segment	Quarter Ended Jun 2013						As at Jun 30, 2013	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services ³⁰	116,013	82%	37,633	76%	7,907	62%	788,507	70%
Telemedia Services	9,484	7%	3,764	8%	660	5%	75,692	7%
Digital TV Services	4,900	3%	760	2%	2,239	17%	42,596	4%
Airtel Business	14,036	10%	2,765	6%	281	2%	42,886	4%
Tower Infrastructure Services	12,832	9%	5,745	12%	1,727	13%	170,017	15%
Others	791	1%	(321)	-1%	(0)	0%	7,440	1%
Sub Total	158,056	112%	50,346	102%	12,814	100%	1,127,138	100%
Eliminations	(16,823)	-12%	(1,030)	-2%	(14)	0%		
Accumulated Depreciation And Amortization							(442,862)	
Total (India)	141,233	100%	49,316	100%	12,800	100%	684,276	
Consolidated	202,639		65,449		22,954		2,010,123	
% of Consolidated	70%		75%		56%		56%	

Note 30: Cumulative Investments includes National optic fibre network.

3.4.2 International

Amount in US\$ mn, except ratios

Segment	Quarter Ended Jun 2013						As at Jun 30, 2013	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Africa	1,062	94%	283	99%	165	91%	13,947	94%
South Asia	70	6%	3	1%	16	9%	843	6%
Sub Total	1,132	100%	286	100%	181	100%	14,790	100%
Eliminations	0	0%	0	0%	0	0%	0	
Accumulated Depreciation And Amortization							(2,445)	
Total (International)	1,132	100%	286	100%	181	100%	12,345	
% of Consolidated	30%		25%		44%		44%	

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	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Mobile Services	000's	263,176	259,844	1%	250,038	5%
India	000's	190,948	188,220	1%	187,302	2%
International	000's	72,228	71,623	1%	62,736	15%
Telemedia Services	000's	3,289	3,283	0%	3,272	1%
Digital TV Services	000's	8,452	8,100	4%	7,400	14%
Total	000's	274,917	271,227	1%	260,710	5%
Non Voice Revenue as a % of Total Revenues ³²	%	25.2%	25.6%		23.6%	

Note 31: Refer section 5.1.2 on "Region wise reporting changes" on page 19 for details.

Note 32: Restated consequent to change in accounting of Joint Ventures from proportionate consolidation to equity accounting.

4.2 Traffic Details – Consolidated

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Mobile Services	Mn Min	294,823	286,364	3%	267,511	10%
India	Mn Min	258,380	253,144	2%	239,338	8%
International	Mn Min	36,443	33,220	10%	28,173	29%
Telemedia Services	Mn Min	4,137	3,988	4%	4,162	-1%
National Long Distance Services	Mn Min	23,795	24,534	-3%	22,241	7%
International Long Distance Services	Mn Min	2,880	3,794	-24%	3,362	-14%
Total Minutes on Network (Gross)	Mn Min	325,635	318,680	2%	297,276	10%
Eliminations	Mn Min	(24,268)	(25,008)	-3%	(22,660)	7%
Total Minutes on Network (Net)	Mn Min	301,366	293,672	3%	274,616	10%

Note 33: Refer section 5.1.2 on "Region wise reporting changes" on page 19 for details.

4.3 Mobile Services India

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Customer Base	000's	190,948	188,220	1%	187,302	2%
VLR	%	95.2%	95.1%		90.8%	
Net Additions	000's	2,728	6,298	-57%	6,023	-55%
Pre-Paid (as % of total Customer Base)	%	95.6%	95.8%		96.2%	
Monthly Churn	%	3.2%	3.2%		8.8%	
Average Revenue Per User (ARPU)	Rs	200	193	4%	185	8%
Average Revenue Per User (ARPU)	US\$	3.6	3.6	1%	3.4	5%
Revenue per site per month	Rs	282,406	269,531	5%	275,647	2%
Voice						
Minutes on the network	Mn	258,380	253,144	2%	239,338	8%
Voice Average Revenue Per User (ARPU)	Rs	166	159	4%	154	7%
Voice Usage per customer	min	455	455	0%	433	5%
Voice Realization per minute	paisa	36.39	35.00	4%	35.68	2%
Non Voice Revenue						
% of Mobile revenues	%	17.3%	17.4%		16.3%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.2%	9.1%		10.8%	
Data as % of Mobile revenues	%	7.4%	6.5%		4.3%	
Others as % of Mobile revenues	%	1.7%	1.8%		1.2%	
Data						
Data Customer Base	000's	46,584	43,490	7%	38,660	20%
Of which no. of 3G data customers	000's	6,796	6,391	6%	3,713	83%
As % of Customer Base	%	24.4%	23.1%		20.6%	
Total MBs on the network	Mn MBs	27,271	23,937	14%	12,566	117%
Data Average Revenue Per User (ARPU)	Rs	63	55	15%	40	59%
Data Usage per customer	MBs	203	187	8%	112	81%
Data Realization per MB	paisa	30.97	29.27	6%	35.30	-12%

4.4 Telemedia Services

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Telemedia Customers	000's	3,289	3,283	0%	3,272	1%
Of which no. of broadband (DSL) customers	000's	1,406	1,390	1%	1,371	3%
As % of Customer Base	%	42.7%	42.3%		41.9%	
Net additions	000's	6	5	28%	2	200%
Average Revenue Per User (ARPU) ³⁴	Rs	924	906	2%	906	2%
Average Revenue Per User (ARPU) ³⁴	US\$	16.5	16.7	-1%	16.8	-1%
Non Voice Revenue as % of Telemedia revenues ³⁴	%	57.8%	55.0%		51.4%	

Note 34: Refer section 5.1.3.b on "Segmental changes in India Operations: Telemedia Services" on page 19 for details.

4.5 Digital TV Services

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Digital TV Customers	000's	8,452	8,100	4%	7,400	14%
Net additions	000's	352	207	70%	172	105%
Average Revenue Per User (ARPU)	Rs	197	184	7%	166	18%
Average Revenue Per User (ARPU)	US\$	3.5	3.4	4%	3.1	15%
Monthly Churn	%	0.6%	1.1%		1.7%	

4.6 Network and Coverage - India

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,121	5,121	0	5,121	0
Non-Census Towns and Villages	Nos	460,682	460,361	321	455,575	5,107
Population Coverage	%	86.7%	86.7%		86.5%	
Optic Fibre Network	R Kms	173,217	171,610	1,608	159,762	13,455
Sites on Network	Nos	134,736	133,778	958	126,010	8,726
<i>Of which no. of 3G sites</i>	Nos	25,604	24,573	1,031	18,012	7,592
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	616	23
Coverage	%	100%	100%		96%	

4.7 Tower Infrastructure Services

4.7.1 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Total Towers	Nos	35,288	35,119	169	33,446	1,842
Total Co-locations	Nos	64,345	63,573	772	60,714	3,631
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,537	37,467	0%	36,170	4%
Average Sharing Factor	Times	1.82	1.81		1.82	

Additional Information:

4.7.2 Indus Towers

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Total Towers	Nos	111,983	111,819	164	109,539	2,444
Total Co-locations	Nos	223,078	221,511	1,567	216,058	7,020
Average Sharing Factor	Times	1.99	1.99		1.96	

4.7.3 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Total Towers	Nos	82,321	82,083	238	79,452	2,868
Total Co-locations	Nos	158,038	156,608	1,430	151,458	6,579
Average Sharing Factor	Times	1.91	1.91		1.90	

4.8 Human Resource Analysis – India

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Total Employees ³⁵	Nos	20,031	20,039	(8)	14,724	5,307
Number of Customers per employee	Nos	10,119	9,961	158	13,446	(3,327)
Personnel cost per employee per month	Rs	92,985	87,627	6%	104,436	-11%
Gross Revenue per employee per month	Rs	2,350,238	2,221,941	6%	2,865,447	-18%

Note 35: Total Employees does not include 42% of Indus towers employees.

4.9 Africa

4.9.1 Operational Performance

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Customer Base	000's	64,203	63,718	1%	55,855	15%
VLR	%	86.7%	85.9%		85.3%	
Net Additions	000's	485	2,031	-76%	2,715	-82%
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%		99.3%	
Monthly Churn	%	6.7%	5.5%		5.1%	
Average Revenue Per User (ARPU)	US\$	5.5	5.9	-7%	6.5	-16%
Revenue per site per month	US\$	20,438	21,784	-6%	23,134	-12%
Voice						
Minutes on the network	Mn	25,971	23,360	11%	19,651	32%
Voice Average Revenue Per User (ARPU)	US\$	4.5	4.9	-7%	5.7	-21%
Voice Usage per customer	min	134	123	8%	120	11%
Voice Realization per minute	US¢	3.38	3.95	-14%	4.73	-29%
Non Voice Revenue						
% of Mobile revenues	%	17.4%	17.7%		12.9%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.7%	8.6%		7.0%	
Data as % of Mobile revenues	%	5.4%	4.4%		3.4%	
Others as % of Mobile revenues	%	3.3%	4.7%		2.6%	
Data						
Data Customer Base	000's	15,544	14,535	7%	NA	NA
<i>As % of Customer Base</i>	%	24.2%	22.8%		NA	NA
Total MBs on the network	Mn MBs	3,140	3,003	5%	NA	NA
Data Average Revenue Per User (ARPU)	US\$	1.3	1.2	6%	NA	NA
Data Usage per customer	MBs	70.2	73.4	-4%	NA	NA
Data Realization per MB	US¢	1.81	1.64	10%	NA	NA

Refer table A.1.9.2 on page 51 for KPI's in constant currency.

4.9.2 Network & Coverage

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Sites on Network	Nos	17,345	16,653	692	15,439	1,906
<i>Of which no. of 3G sites</i>	Nos	6,201	5,676	525	4,787	1,414

4.9.3 Human Resource Analysis

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Total Employees	Nos	5,274	4,932	342	4,907	367
Number of Customers per employee	Nos	12,174	12,919	(746)	11,383	791
Personnel cost per employee per month	US\$	5,982	6,373	-6%	5,436	10%
Gross Revenue per employee per month	US\$	67,129	75,728	-11%	72,831	-8%

4.10 South Asia

4.10.1 Operational Performance

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Customer Base	000's	8,025	7,906	2%	6,881	17%
VLR	%	82.8%	83.9%		81.5%	
Net Additions	000's	119	413	-71%	152	-22%
Pre-Paid (as % of total Customer Base)	%	97.5%	97.4%		97.3%	
Monthly Churn	%	4.7%	3.8%		5.9%	
Average Revenue Per User (ARPU)	US\$	2.9	2.8	6%	2.6	14%
Revenue per site per month	US\$	3,585	3,384	6%	3,229	11%
Voice						
Minutes on the network	Mn	10,472	9,860	6%	8,522	23%
Voice Average Revenue Per User (ARPU)	US\$	2.5	2.4	7%	2.3	12%
Voice Usage per customer	min	439	427	3%	416	6%
Voice Realization per minute	US¢	0.58	0.56	4%	0.54	6%
Non Voice Revenue						
% of Mobile revenues	%	13.4%	14.1%		12.1%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	6.5%	7.0%		5.7%	
Data as % of Mobile revenues	%	5.1%	5.1%		4.3%	
Others as % of Mobile revenues	%	1.8%	2.0%		2.1%	
Data						
Data Customer Base	000's	2,236	2,234	0%	1,858	20%
As % of Customer Base	%	27.9%	28.3%		27.0%	
Total MBs on the network	Mn MBs	1,049	1,059	-1%	675	55%
Data Average Revenue Per User (ARPU)	US\$	0.5	0.5	2%	0.3	94%
Data Usage per customer	MBs	158	172	-8%	122	30%
Data Realization per MB	US¢	0.34	0.30	11%	0.23	50%

Refer table A.1.10.2 on page 52 for KPI's in constant currency.

4.10.2 Network & Coverage

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Sites on Network	Nos	6,532	6,474	58	5,561	971
Of which no. of 3G sites	Nos	684	673	11	492	192

4.10.3 Human Resource Analysis

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Q-on-Q Growth	Jun 30, 2012	Y-on-Y Growth
Total Employees	Nos	737	739	(2)	729	8
Number of Customers per employee	Nos	10,888	10,698	191	9,438	1,450
Personnel cost per employee per month	US\$	2,232	2,369	-6%	1,976	13%
Gross Revenue per employee per month	US\$	31,653	28,778	10%	24,166	31%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Key notes to quarterly report

Effective April 01, 2013, the Company has made certain key changes to the quarterly report. These changes were necessitated due to mandated requirements under the International Financial Reporting Standards as well as alignment to the changes in the internal reporting.

Summary of key changes:

1. Consolidation of Joint Ventures : Proportionate Consolidation to Equity accounting

Effective April 01, 2013, accounting standard IFRS 11 on Joint Arrangements became mandatory whereby accounting for investment in Joint Venture changed from proportionate consolidation method (line by line consolidation) to equity method. Accordingly, the Company has adopted IFRS 11 and restated previous periods for comparison with the current period.

Whilst the change is presentational in nature and does not impact on the Group's statutory profit for the financial periods, it does impact on a number of the Group's disclosed financial metrics, including Revenue, EBITDA, Free cash flow and Net debt. Please refer to section 5.4 on page 24 for the impact of changes.

2. Region wise reporting changes

During the quarter ended March 31, 2013, the Group announced certain management changes. As a result, operations of South Asia (Sri Lanka and Bangladesh) earlier reported under India & South Asia is now reported under International. Consequently, the results of International operations now include operational and financial performance of 17 countries of Africa (including acquired operations of Warid Telecom, Uganda) and South Asia. Erstwhile India SA and Mobile India SA now represent only the operating and financial performance of India.

The historical periods have been restated to make them comparable.

3. Segmental Changes in India Operations

- a. **Mobile Services (India):** Effective quarter ended June 30, 2013, the Company has realigned the reporting of: i) network group providing intra city fibre connectivity (earlier reported under Telemedia Services), and ii) mCommerce operations under "Airtel Money" (earlier reported under 'Others' segment) with Mobile Services (India).
- b. **Telemedia Services:** Effective quarter ended June 30, 2013, the Company has realigned the reporting of its network group providing intra city fibre connectivity earlier reported under Telemedia Services with Mobile Services (India).
- c. **Others:** Effective quarter ended June 30, 2013, the Company has realigned the reporting of its mCommerce operations under "Airtel Money" (earlier reported under 'Others' segment) with Mobile Services (India). 'Others' now includes group corporate office and resource management division.
- d. **Tower Infrastructure Services:** Effective quarter ended June 30, 2013, the statement of operations of tower infrastructure represents stand-alone performance of Bharti Infratel Ltd and excludes line by line representation of group's interest in the Joint Venture, Indus Tower Ltd as per revised IFRS 11 Standards stated above. The Company's interest in Indus Tower Ltd. is presented separately as "share of results of joint venture". Please refer section 5.4.2 on page 25 for the impact of changes on statement of operations for prior periods.
- e. **Allocation of common expenses:** Effective quarter ended June 30, 2013, central common expenses earlier reported under 'Others' segment is now allocated to the respective operating segments.

The historical periods have been restated for the above mentioned segmental changes to make them comparable.

5.2 India

A. Key Industry Developments

1. The Telecom Commercial Communications Customer Preference Regulations, 2013 & SMS Termination Regulations 2013

TRAI has issued 11th & 12th amendment to TCCCPR Regulation on May 24, 2013. Key highlights are as follows:

- Introduction of SMS termination charge of Rs 0.02 per SMS on all SMSs.
- Introduction of transactional SMS charge of Rs 0.05 per transactional SMS.
- In case of a valid UCC complaint, the originating Access provider shall disconnect all the telecom resources allotted to such subscriber, after due investigation.
- The name and address of such subscriber shall be entered into a blacklist for a period of two years to be maintained separately for this purpose. Upon entry in the blacklist, all Access Providers shall disconnect the telecom resources provided by it to such subscriber within 24 hrs. No telecom resources will be allotted to such blacklisted subscriber by any Operator from June 25, 2013.
- The presently available complaint redressal system will settle the grievance of the subscriber whose connection is disconnected.

2. Tariff Orders prescribing Standard Tariff Packages for set top boxes for Digital Cable TV and DTH subscribers

On May 27, 2013, TRAI issued Tariff Orders prescribing Standard Tariff Packages for set top boxes for Digital Cable TV subscribers and DTH subscribers. The tariff order prescribes the following standard tariff packages for supply of STB/CPE to the subscriber:

- **Option 1:** Tariff packages when security deposit would be refunded after 3 years or on surrender of STB/CPE within 3 years:

Service	Security (In Rs.)	Monthly Rent excl. Tax (In Rs.)
DAS	400	55.66
	800	50.66
DTH	500	71.75
	1000	65.50

- **Option 2:** Tariff packages when security deposit gets adjusted over 3 years and in case the STB/CPE is surrendered within 3 years, the unadjusted portion of the deposit would be refunded:

Service	Security (In Rs.)	Monthly Rent excl. Tax (In Rs.)
DAS	400	46.80
	800	32.93
DTH	500	60.66
	1000	43.33

Other directives of the Order are:

- The tariff includes installation and activation charges as well as charges of repair and maintenance for 3 years.
- No rental to be paid after 3 years. The STB/CPE becomes property of the subscriber after 3 years.
- All above packages are to be mandatorily offered to the subscribers and in addition, service provider can also offer alternative schemes and packages for supply of STB/CPE.

3. Revision in Ceiling of National Roaming Tariffs

On June 17, 2013, TRAI issued 5th amendment to TTO'99 revising the existing ceiling of tariffs related with National Roaming Facility (effective from July 01, 2013). Key highlights are as follows:

- Existing tariff ceiling have been revised from:
 - Rs 2.40 per min to Rs 1.50 per min for outgoing STD calls,
 - Rs 1.40 per min to Rs 1.00 per min for outgoing local calls, and
 - Rs 1.75 per min to Rs 0.75 per min for incoming calls.
- SMS tariff while on roaming has been capped (which was earlier under forbearance) to Rs 1 for local SMS and Rs 1.50 for national SMS.
- Special Tariff Voucher and Combo Voucher are allowed for National roaming facility.
- Mandatory to have Roaming plans with partial or full roaming facility in lieu of payment of fixed charges.

B. Key Company Developments

- Bharti Airtel issued 199,870,006 new equity shares to Qatar Foundation Endowment representing 5% stake in the Company for a total consideration of US\$ 1.26 Bn (Rs 6,796 Cr).
- Bharti Airtel acquired additional 2% stake in 4 Indian units of Qualcomm Asia Pacific taking its total investment in the Company to 51%.
- Airtel launched 'Re 1 video downloads' for its customers across India. This service was propagated

by brand Airtel through an extensive advertising campaign.

- Airtel launched a new 4G portfolio with sharply defined pricing plans, new device plans and entertainment content bundles to deliver the best possible experience to its customers in Kolkata, Bengaluru, Pune and Chandigarh at the most affordable prices.
- Airtel launched its own online shop 'Airtel Online', the first online shopping portal in India by any telecom service provider to offer mobile devices, DTH connections and other telecom products for sale both to the retail and corporate customers.
- 'Airtel Owned Retail' stores were launched with a focus on improved customer acquisition, sale of smartphones, and providing superior data experience to customers.
- Bharti Airtel and Google announced the launch of Free Zone powered by Google, which will give Airtel mobile customers access to mobile web search and feature-phone-friendly versions of Gmail and Google+ in India. The first page of a website linked from search results is provided at no data cost.
- Airtel partnered with Huawei to offer Wifi on the go in Easy Cabs for customers in Delhi NCR.
- Bharti Airtel, through its fully owned subsidiary Airtel M Commerce Services Limited (AMSL), has tied-up with Indian Railways Catering and Tourism Corporation Limited (IRCTC) to offer railway bookings through *airtel money*. With this, all airtel money customers can make reservations and avail related services just by dialing *400# on their mobile phones.
- Bharti Airtel joined hands with J&K Bank to offer *airtel money* services for customers via the bank's 800 *Khidmat centres* across Kashmir.
- Airtel Digital TV announced the launch of 'Freemium PPV' – industry's first Pay Per View channel that will enable customers to enjoy popular hits and blockbusters at pre-scheduled timings for free in a scaled down picture size (3/4th of the screen) with ads running in the L-band.
- Airtel Digital TV also announced the launch of 'On Demand TV' on its HD and recorder set-top box enabling customers to simply connect their set-top box to their broadband connection to enjoy seamless downloads of their favorite videos from an on-demand video library.
- Airtel Business launched India's first Toll Free Mobile Data services that will enable organizations to provide free browsing to its customers when they visit the company's site from their mobile phones.
- Airtel was conferred the "Enterprise Telecom Service Provider of the Year" award at the Frost and Sullivan India ICT Awards.
- At Pitch Brands Awards 2013, brand Airtel bagged the 'Globetrotters Award' for successfully reaching out to global markets outside India.

5.3 International

A. Key Industry Developments

DRC

• Floor Price

The Regulator has issued a decision to extend the 8 cents floor price ruling for another 3 months to September 30, 2013, while waiting for the finalization of a study from a Consultant.

Ghana

• Taxes and fees

The High Court Judge has ruled in favour of operators on April 19, 2013 declaring that the operators are not subject to Consumer Service Tax (CST) on interconnection. The tax authority has been given a period of 90 days to appeal. Operators are entitled to recover the entire amount paid to the tax authority.

Kenya

• Mobile Termination Rate (MTR)

The Glide path of MTR has been implemented with effect from July 01, 2013 dropping rates from KES 1.44 to KES 1.15.

Madagascar

• 3G license

The Regulator has sent a draft amendment of the current 2G license to all operators for including 3G services and frequencies in the 2.1 GHz band. Operators have sent their comments to the Regulator, and are awaiting feedback.

Malawi

• License renewal

The Roadmap for the license renewal was shared by the regulator along with timelines. The Regulator's target is to finalize the same by 6 months i.e. end of August 2013. Meanwhile, the Regulator will finalize a verification and assessment exercise by July 31, 2013.

Niger

• Know Your Customers (KYC) SIM Card Registration

The government has extended KYC deadline for 3 additional months till August 25, 2013 (initially May 14, 2013) after which Operator needs to:

- Bar outgoing calls and allow only incoming calls for non-KYC customers till September 25, 2013.
- Post September 25, 2013, bar both outgoing and incoming calls for all the non-KYC customers; with the number remaining active till October 25, 2013.
- Deactivate all the non-KYC numbers after October 25, 2013.

Nigeria

• Know Your Customer (KYC)

Nigeria Communications Commission (NCC) set June 30, 2013 as the deadline for the disconnection of

unregistered SIM cards under the "Registration of Telephone Subscribers Regulation, 2011".

- **Mobile Termination Rate (MTR)**

After series of consultations with the industry, the NCC has published a new Interconnect Rate regime effective April 01, 2013 which specifies:

- a) Asymmetric interconnect rates with preferential rates offered to new entrants and small operators with less than 7.5% market share.
- b) Reduction in MTR for Tier I operators from N 8.20 per minute to N 4.90 per minute.
- c) Glide paths for both Tier I (Airtel, Etisalat, Glomobile, MTN) and Tier II (CDMA) Operators to ensure annual reduction of the rates until harmonization at N 3.90 per minute on April 01, 2015.

- **Mobile Number Portability (MNP)**

MNP was launched in Nigeria on April 22, 2013.

- **National Broadband Plan, 2013 - 2018**

The National Broadband Plan, 2013 – 2018 was issued in May 2013 to provide a framework to realize by the end of 2017, a five-fold increase in broadband penetration and foster actualization of the broadband vision for Nigeria of "a society of connected communities with high speed internet and broadband access that facilitate faster socio-economic advancement of the nation and its people". Broadband has been defined as "an internet experience where the user can access the most demanding content in real time at a minimum speed of 1.5 mbps", subject to review over time.

- **Determination of Dominance**

NCC issued a Determination of Dominance in selected communications markets in Nigeria on April 25, 2013 and declared:

- MTN as the Dominant Operator in the mobile voice market and imposed obligations such as: account separation, collapse of on-net and off-net rates and periodical submission of required details related to MTN's operations.
- MTN and GLO as Joint Dominant Operators in the wholesale leased lines and transmission capacity sub-segment of the upstream market and imposed obligations such as: account separation, price cap/price floor and periodical submission of required details related to their respective operations.

The determination came into effect from May 01, 2013.

Rwanda

- **LTE**

Government has signed a MoU with Korea Telecom to form a consortium with the purpose of building LTE infrastructure in the country. The Consortium will be given exclusivity for the wholesale of LTE services.

- **Tax and fees**

June 2013 budget proposes to introduce an import duty of 25% on telecommunication equipment which currently is 0%.

Tanzania

- **Know Your Customer (KYC)**

The Regulator has issued a directive stating that all the existing subscribers have to be registered by July 10, 2013 and all the SIMs have to be sold in de-active state from June 01, 2013.

- **Taxes and fees**

June 2013 budget proposes to introduce the following new taxes:

- Increase in excise duty from 12% to 14.5% on all services.
- 10% withholding tax on commissions paid to Airtel Money agents.
- 0.15% excise duty on all money transfers (including the transfers done by banks and financial institutions).
- Excise duty of TZS 1,000 per month per registered SIM card.
- Reduction in import duty exemption on capital goods from 90% to 75%

Tchad

- **Taxes and fees**

The Supreme Court issued following decisions on April 25, 2013:

- Cancelling the introduction of a new tax of CFA 50 (\$ 0.10) per minute on international incoming traffic.
- Cancelling the tax of CFA 200 (\$ 0.40) per number as numbering fees.

The Supreme Court further issued a decision on May 16, 2013 freezing the implementation of CFA1 (\$ 0.002) tax per call for financing the activities towards development of sports in the country.

Uganda

- **Taxes and fees**

June 2013 budget proposes to introduce the following new taxes:

- 10% excise duty to be charged on transaction fees for transfer of mobile money.
- 20% excise duty on revenue from promotional activities akin to gambling.
- Proposed rate of excise on international incoming calls to be US\$ 0.09 per minute.

Zambia

- **License renewal**

Airtel Zambia license has been renewed for 15 years effective May 22, 2013.

Bangladesh

- **Tax and fees**

Effective May 16, 2013, The National Board of Revenue (NBR) reduced the tax on mobile SIM card and VAT on 3G service license fees by 50%. The NBR reduced the SIM tax from BDT 600 to BDT 300 and VAT on 3G license & spectrum fees to 7.5% from 15%.

- **3G license**
Bangladesh Telecommunication Regulatory Commission (BRTC) has invited applications from the Telecom Operators to grant 3G licenses through an auctioning process. The 3G auction is scheduled to be held on September 02, 2013.

B. Key Company Developments

- Airtel Uganda acquired 100% stake in Warid Telecom, Uganda on May 13, 2013.
- With the launch of 3G services in Burkina Faso and DRC in this quarter, Airtel has launched 3G in 14 countries across Africa.
- A number of services and products have been launched under Airtel Business for corporate customers in this quarter in select markets. This includes launch of International MPLS and IPLC services in 5 markets namely Nigeria, Kenya, Tanzania, Zambia and Ghana. Cloud service was launched in Nigeria and Kenya.
- Airtel Premier, a high value customer programme, was further launched in 7 countries; taking the count of countries in which it is live to 15 across Africa.
- With its launch in Rwanda and Seychelles, Airtel Money expands its footprints across all 17 countries in Africa.
- Airtel has partnered with an oil and gas company named 'Total' in Kenya to accept airtel money as its mode of payment at all its service stations.
- Phone backup service was launched in Kenya and Nigeria.
- Opera Mini browser was launched in Tanzania thereby completing its roll out in all the 17 countries in Africa. Nokia Xpress browser, especially customised for Airtel, was launched in Nigeria and Kenya.
- 'One Airtel' network campaign was successfully rolled out in all the African markets over print and media.
- Airtel Nigeria's official Facebook page is ranked as the most engaging page in the country and is also the 3rd most popular Facebook page in Nigeria.
- The 'Football Quarter' was the umbrella theme for consumer promotions and product offerings in this quarter in Africa.
- Bharti Airtel Holdings (Singapore) Pte Ltd, a wholly owned subsidiary of Bharti Airtel Ltd acquired the remaining 30% non controlling interest from Warid Telecom in Airtel Bangladesh. Bharti now owns 100% of Airtel Bangladesh Ltd.
- Airtel Bangladesh launched a highly successful 360 degree campaign based on friendship 'bondhu chara life impossible'.
- 'Airtel Buzz', Airtel Bangladesh's official fan page on Facebook is the largest corporate fan page in the country with over 4.9 lakh fans.
- Airtel Lanka received ISO22301 certification for 'Business Continuity Management System' for its operations in the country.

5.4 Impact of Equity Accounting (IFRS 11) for Joint Ventures

5.4.1 Restatement of Consolidated Statement of Operations for prior periods

As reported previously (Proportionate Consolidation)

Amount in Rs mn except ratios

Particulars	Quarter Ended				Full Year Ended Mar'13
	Jun'12	Sept'12	Dec'12	Mar'13	
Total revenues	193,501	202,732	202,395	204,484	803,112
EBITDA	58,487	63,508	61,839	64,870	248,704
<i>EBITDA / Total revenues</i>	30.2%	31.3%	30.6%	31.7%	31.0%
EBIT	20,916	24,948	22,834	25,042	93,740
Share of results of joint ventures / associates	-	-	-	-	-
Profit / (Loss) before tax	12,629	14,729	9,515	12,947	49,820
Income tax expense	4,878	7,714	6,675	7,884	27,151
Net income / (loss)	7,622	7,212	2,837	5,086	22,757
Capex	35,758	40,549	23,826	35,231	135,364
Operating Free Cash Flow	22,729	22,959	38,013	29,639	113,340
Cumulative Investments	1,865,271	1,877,402	1,931,164	1,956,723	1,956,723
Net Debt	682,983	667,600	642,825	638,395	638,395

Impact of Equity Accounting for Joint Ventures (IFRS 11)

Amount in Rs mn except ratios

Particulars	Quarter Ended				Full Year Ended Mar'13
	Jun'12	Sept'12	Dec'12	Mar'13	
Total revenues	(7,900)	(8,733)	(8,771)	(8,663)	(34,067)
EBITDA	(3,631)	(4,139)	(4,090)	(4,265)	(16,125)
<i>EBITDA / Total revenues</i>	-0.7%	-0.7%	-0.7%	-0.8%	-0.7%
EBIT	(1,961)	(2,470)	(2,435)	(2,441)	(9,309)
Share of results of joint ventures / associates	706	982	943	875	3,506
Profit / (Loss) before tax	(335)	(519)	(483)	(629)	(1,967)
Income tax expense	(335)	(519)	(483)	(629)	(1,967)
Net income / (loss)	-	-	-	-	-
Capex	(2,069)	(2,797)	(1,694)	(2,353)	(8,913)
Operating Free Cash Flow	(1,562)	(1,342)	(2,396)	(1,912)	(7,212)
Cumulative Investments	(62,070)	(91,835)	(93,259)	(95,080)	(95,080)
Net Debt	(28,559)	(57,074)	(60,648)	(57,112)	(57,112)

As reported currently (Equity Accounting)

Amount in Rs mn except ratios

Particulars	Quarter Ended				Full Year Ended Mar'13
	Jun'12	Sept'12	Dec'12	Mar'13	
Total revenues	185,601	193,999	193,624	195,821	769,045
EBITDA	54,856	59,369	57,749	60,605	232,579
<i>EBITDA / Total revenues</i>	29.6%	30.6%	29.8%	30.9%	30.2%
EBIT	18,955	22,478	20,399	22,601	84,431
Share of results of joint ventures / associates	706	982	943	875	3,506
Profit / (Loss) before tax	12,294	14,210	9,032	12,318	47,853
Income tax expense	4,543	7,195	6,192	7,255	25,184
Net income / (loss)	7,622	7,212	2,837	5,086	22,757
Capex	33,689	37,752	22,132	32,878	126,451
Operating Free Cash Flow	21,167	21,618	35,617	27,727	106,128
Cumulative Investments	1,803,201	1,785,567	1,837,905	1,861,643	1,861,643
Net Debt	654,424	610,526	582,176	581,283	581,283

5.4.2 Tower Infrastructure Services - Restatement of Statement of Operations for prior periods

As reported previously (Proportionate Consolidation)

Amount in Rs mn except ratios

Particulars	Quarter Ended				Full Year Ended Mar'13
	Jun'12	Sept'12	Dec'12	Mar'13	
Total revenues	24,048	25,567	26,350	27,189	103,154
EBITDA	8,788	9,577	9,761	10,435	38,560
<i>EBITDA / Total revenues</i>	36.5%	37.5%	37.0%	38.4%	37.4%
EBIT	3,420	4,090	4,200	4,654	16,364
Share of results of joint ventures / associates	-	-	-	-	-
Capex	4,283	5,679	4,062	5,702	19,727
Operating Free Cash Flow	4,504	3,898	5,699	4,733	18,833
Cumulative Investments	238,467	243,664	246,740	251,725	251,725

Impact of Equity Accounting for Joint Ventures (IFRS 11)

Amount in Rs mn except ratios

Particulars	Quarter Ended				Full Year Ended Mar'13
	Jun'12	Sept'12	Dec'12	Mar'13	
Total revenues	(12,262)	(13,394)	(13,605)	(14,028)	(53,289)
EBITDA	(3,537)	(4,149)	(4,087)	(4,274)	(16,047)
<i>EBITDA / Total revenues</i>	8.0%	7.1%	7.5%	8.4%	7.8%
EBIT	(1,869)	(2,480)	(2,432)	(2,457)	(9,237)
Share of results of joint ventures / associates	775	1,058	982	952	3,767
Capex	(2,068)	(2,796)	(1,693)	(2,169)	(8,727)
Operating Free Cash Flow	(1,469)	(1,353)	(2,394)	(2,105)	(7,320)
Cumulative Investments	(61,861)	(68,261)	(68,981)	(69,760)	(69,760)

As reported currently (Equity Accounting)

Amount in Rs mn except ratios

Particulars	Quarter Ended				Full Year Ended Mar'13
	Jun'12	Sept'12	Dec'12	Mar'13	
Total revenues	11,787	12,173	12,745	13,160	49,865
EBITDA	5,250	5,428	5,674	6,161	22,513
<i>EBITDA / Total revenues</i>	44.5%	44.6%	44.5%	46.8%	45.1%
EBIT	1,551	1,610	1,768	2,197	7,126
Share of results of joint ventures / associates	775	1,058	982	952	3,767
Capex	2,215	2,883	2,369	3,533	11,000
Operating Free Cash Flow	3,035	2,545	3,305	2,628	11,513
Cumulative Investments	176,606	175,403	177,759	181,965	181,965

5.5 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 quarter ended June 30, 2013

- Overall customer base at 274.9 million across 20 countries.
- Net addition of 3.7 million customers.
- Total revenues of Rs 202.6 billion (up 9.2% Y-o-Y).
- Mobile data revenues of Rs 11.8 billion (up 84.4% Y-o-Y).
- EBITDA at Rs 65.4 billion (up 19.3% Y-o-Y).
- Net Income of Rs 6.9 billion (down 9.6% Y-o-Y).
- Operating free cash flow of Rs 42.5 billion (up 100.8% Y-o-Y).
- Net debt reduced to \$ 9,779 million.

Bharti Airtel consolidated results for the quarter ended June 30, 2013

5.5.1 Key Changes

The consolidated and segmental reporting for the quarter ended June 30, 2013 has been impacted by i) change in method of accounting of joint ventures from proportionate consolidation to equity accounting, ii) region wise reporting changes with South Asia operation earlier reported under India SA now covered under International operations, and iii) segmental changes in India. Please refer section 5.1 on page 19 for detailed understanding. The performance of the quarter has to be read in the context of the above changes.

5.5.2 Consolidated Financials

As on June 30, 2013, the Company had an aggregate of 274.9 million customers consisting of 263.2 million Mobile, 3.3 million Telemedia and 8.5 million Digital TV customers. The total customer base increased by 5.4% compared to the base as on June 30, 2012. The minutes of usage on network was 301.4 billion, a growth of 9.7% compared to the corresponding quarter last year. Total mobile data usage at 31.5 billion MBs has grown by 114.0% compared to corresponding quarter last year.

During the quarter, the Company recorded revenues of Rs 202,639 million, a growth of 9.2% compared to the quarter ended June 30, 2012, notwithstanding certain regulatory interventions impacting the topline. Data continues to play a strong role in topline and margin growth. Mobile data revenues now account for 5.8% of the Company revenues. Non-voice revenues now contribute 25.2% of the total revenues for the quarter, a significant improvement from 23.6% in the corresponding quarter last year.

During the quarter, access charges were flat at Rs 26,961 million, compared to the quarter ended June 30, 2012. The fall in interconnect rates in Africa has been neutralized by higher access costs in India arising from uplift in traffic.

During the quarter, the Company incurred operating expenses of Rs 90,868 million representing 44.8% of the total revenues. The improved customer acquisition processes have enabled a significant reduction in selling, general & administrative costs in India by Rs 2,678 million compared to the corresponding quarter last year.

During the quarter, the Company had an EBITDA of Rs 65,449 million, a growth of 19.3% compared to the quarter ended June 30, 2012. The consolidated EBITDA margin for the quarter was 32.3%, compared to 29.6% in the corresponding quarter last year, this increase can be broadly analyzed into: a) margin expansion of 2.6% in Mobile India on the back of improved voice realization and significant reduction of selling, general & administrative costs, b)

margin improvements in DTH and Airtel Business, and c) South Asia turning EBITDA positive.

During the quarter, the Company had depreciation and amortization expenses of Rs 38,470 million, an increase of 7.2% over the quarter ended June 30, 2012, due to continuing investments in the network. The resultant EBIT for the quarter was Rs 26,979 million, a significant increase of 42.3% over the corresponding quarter last year. The net finance cost for the quarter ended June 30, 2013 was Rs 11,676 million. During the quarter, the interest on borrowings and finance charges were Rs 10,415 million, derivatives & exchange fluctuation loss was Rs 5,339 million and the investment income was Rs 4,077 million. Substitution of Africa acquisition debt with a longer tenure \$ Bond for \$ 1.5 billion in Q4'13 has however resulted in higher outgo on interest. Depreciation of Indian Rupee by 9.8% against US\$ in the current quarter and change in composition of net foreign currency exposure in India has majorly contributed to the derivatives and exchange loss of Rs 5,339 million as against gain of Rs 1,605 million in the corresponding quarter last year. Investment income is higher arising from placement of Infratel IPO proceeds in high yielding short term investments. The change in accounting for joint ventures from proportionate consolidation to equity accounting has resulted in the Company recording share of profits from joint ventures of Rs 822 million for the quarter ended June 30, 2013 compared to Rs 706 million over the corresponding quarter last year.

PBT before exceptional items (refer section 5.3.3 for details on exceptional items) for the quarter was Rs 16,125 million, an increase of 31.2%, as compared to the quarter ended June 30, 2012 on account of higher EBIT arising from superior operational performance. The current and deferred tax expense (before tax charge on exceptional items) for the quarter was Rs 8,573 million compared to Rs 4,543 million for the quarter ended June 30, 2012. The effective tax rate in India for the quarter came in at 22.5% compared to 27.7% for the full year ended March 31, 2013 (25.1% excluding the impact of dividend distribution tax and additional deferred tax charge for the increase in surcharge), mainly due to one-off credits during the current quarter accounting for a reduction of 3.6%. The tax charge in Africa at Rs 3,584 million for the quarter (full year 2012-13; Rs 5,040 million) has been impacted by one off settlements (Rs 941 million) and a significant rise in withholding taxes (to Rs 1,379 million) due to increased up-streaming of dividends from subsidiary companies. The net income before exceptional items at Rs 7,090 million for the quarter ended June 30, 2013, though lower than the corresponding quarter last year, reflects a strong comeback over the last few quarters.

5.5.3 Exceptional items

In addition, exceptional items during the quarter resulted in a net loss of Rs 200 million, comprising of; i) a net gain of

Rs.8,950 million, on account of the difference of fair value and book value of net assets of Bharti Infratel Ventures Limited (BIVL) recognized in accordance with IAS 28, 'Investment in Associates and Joint Ventures' consequent to the merger of BIVL with Indus Towers Limited (ITL) as per the approved Court scheme, ii) an additional net charge of Rs.6,698 million resulting from reassessment of the useful residual life of certain categories of network assets of the Group due to technological developments, iii) tax impact of Rs 1,110 million (net) with respect to (i) and (ii) above, and iv) impact on minority Interest of Rs 1,342 million (net) with respect to all of the above. The net income after exceptional items stands at Rs 6,889 million for the quarter ended June 30, 2013.

5.5.4 Capex and Net debt

During the quarter ended June 30, 2013, the Company incurred capital expenditure of Rs 22,954 million in line with the strategy to build the network capacity and new roll-outs on selective basis. The Operating Free Cash Flow during the quarter was Rs 42,495 million a significant increase of 100.8% compared to the quarter ended June 30, 2012.

During the quarter, the Company raised equity capital of Rs 67,955.8 million from M/s. Three Pillars Pte Ltd, an affiliate of Qatar Foundation Endowment, representing 5% equity stake, through preferential allotment. The proceeds of the same have been utilized towards retirement of debt in line with the objective of this preferential allotment. During the quarter, the four Indian entities of Qualcomm have become subsidiaries of the Company with 51% shareholding, resulting in inclusion of Rs 59,092 million to the net debt. The Net debt as on June 30, 2013 stands reduced to \$ 9,779 million from \$ 10,687 million as on March 31, 2013 and represents a significant reduction from \$ 11,622 million as on June 30, 2012, The Net Debt to EBITDA ratio (USD terms) of 2.21 as on June 30, 2013 (improved from 2.50 as on March 31, 2013) reflects a significant improvement from 2.56 as on June 30, 2012.

5.5.5 B2C Services

5.5.5.1 Mobile Services (India)

Effective April 1, 2013, consequent to the re-alignment of South Asia operations with the International business, Mobile Services (India) is being reported separately, Further, the Intra-city fiber networks (earlier reported under Telemedia Services) and M commerce unit operating under "Airtel Money" (earlier reported under "Others" segment) have been included in Mobile Services (India). Financials of the previous quarters have been restated to make them comparable with the current quarter.

The key highlights for the quarter ended June 30, 2013 are: improvement in voice realization rates with MOUs per customer growing on Y-o-Y basis, continued momentum in data growth both in value and volume terms, reduced churn and improved EBITDA margins.

As on June 30, 2013, the Company has 190.9 million GSM mobile customers on its network of which 8.7 million were 3G customers. The new activation process focused on quality acquisition initiated in Q3'13 has now been fully embedded and stabilized. The reduction in churn from 8.8% in Q1'13 to 3.2% in Q1'14 as well as improvement in VLR ratio from 90.8% to 95.2% are reflective of the benefits of activation process. The graded reduction in tariff discounts as well as hardening of rates in the market place have yielded positively, with voice realization improving annually and sequentially to 36.4 p (Q1'13: 35.7 p; Q4'13: 35.0 p). The minutes on network for the quarter stands at 258.4 billion as compared to 239.3 billion minutes in Q1'13, reflecting a growth of 8.0%. It is pertinent to note that this

growth has been fueled by higher MOUs per customer, which has remained high at 455 minutes for the last two quarters, and have moved up by 22 minutes over the corresponding quarter last year.

The blended ARPU for the quarter moved up by Rs 16 to Rs 200 compared to the corresponding quarter last year. Significant portion of the incremental ARPU has come through the improvement in voice ARPU. The improvement in voice realization (from 35.7 p to 36.4 p) in the current quarter together with enhanced MOUs per customer (from 433 minutes to 455 minutes) has aided the voice ARPU increasing by Rs 11 to Rs 166 over the corresponding quarter last year.

Data 2G & 3G continue to lead the Mobile segment growth, through deeper penetration and consumption. A successful launch of the One Rupee Video Store is the first step in making the content affordable to customers. At the end of Q1'14, 24.4% of the Company's customers use data services, up from 20.6% in the corresponding quarter last year. Data consumption has grown by 117.0% compared to the corresponding quarter last year and has reached 27.3 billion MBs in the current quarter. Data now contributes around 7.4% of the total mobile revenues against 6.5% in Q4'13 and 4.3% in the corresponding quarter last year, depicting the shift from voice to data. All the three operating metrics (Data customers, Data usage & Data realization) of data are improving in the current quarter. The Company had 46.6 million Data (Mobile Internet) customers, of which 6.8 million users avail 3G data services. Data ARPU came in at Rs 63, helped by average data download of 203 MBs per customer (an increase of 91 MBs per user over the corresponding quarter last year), and blended data realization rate stood at 31.0 paisa per MB for the quarter ended June 30, 2013.

During the quarter, the data growth was impacted by the Supreme Court decision restraining operators from acquiring new customers in the 3G ICR (intra circle roaming) circles. To build on the coverage advantage and facilitate faster data growth, we continued our investment on network roll out with 958 2G sites and 1,031 3G sites during the quarter.

The overall revenues for the segment during the quarter ended June 30, 2013 stood at Rs 116,012 million, a growth of 10.9% over the corresponding quarter last year. The revenue from this segment contributed to 82.1% of the total revenues of India. The EBITDA during the quarter was Rs 37,633 million representing significant growth of 20.4% over the corresponding quarter last year on the back of double digit topline growth and improved operating efficiency. The EBITDA margin improved to 32.4%, compared to 29.9% in the quarter ended June 30, 2012. Margins of both the periods carry the impact of allocation of central common expenses, earlier included under "Others" segment. Consequently, the EBIT for the quarter was Rs 20,979 million, increase of 29.1% over the corresponding quarter last year.

During the quarter ended June 30, 2013, the Company continues to focus on network capacity build up and incurred a capital expenditure of Rs 7,907 million in Mobile Services. The operating free cash flow during the quarter was Rs 29,726 million, a growth of 127.5% over the corresponding quarter last year.

5.5.5.2 Telemedia Services

Effective quarter ended June 30, 2013, the Company has included its Intra-city fiber network with Mobile Services (earlier reported under Telemedia Services). The financials of the previous quarters have been restated accordingly.

As on June 30, 2013, the Company had its Telemedia operations in 87 cities serving 3.3 million customers. The Company had approximately 1.4 million broadband (DSL) customers. The ARPU for the quarter was Rs 924 (US\$ 16.5). Non voice revenues as % of total revenues at 57.8% has sharply increased by 6.4% and DSL penetration by 0.8% compared to the corresponding quarter last year, leading to increase in average ARPU by Rs 18 to Rs 924.

For the quarter ended June 30, 2013, the revenues from Telemedia operations stood at Rs 9,484 million, a growth of 6.7% over the corresponding quarter last year owing to increase in Data ARPU and internet penetration. The EBITDA for the quarter was Rs 3,764 million compared to Rs 3,530 million in the corresponding quarter year quarter, a growth of 6.7%. The EBITDA margin for this segment was flat at 39.7% during the quarter compared to the corresponding quarter last year. Both the quarters had impact of central common expenses allocation. The EBIT for quarter ended June 30, 2013 was Rs 1,439 million, a Y-o-Y de-growth of 8.4%.

During the quarter ended June 30, 2013, the Company incurred a capital expenditure of Rs 660 million in Telemedia Services. The operating free cash flow during the quarter was Rs 3,104 million, a growth of 40.3% over the corresponding quarter last year.

5.5.5.3 Digital TV Services

As on June 30, 2013, the Company had its Digital TV operations in 639 districts. The number of customers stood at 8.5 million customers as on June 30, 2013. The ARPU for the quarter was Rs 197 (US\$ 3.5). The improvement in ARPU quarter on quarter has been achieved through product innovations, pricing corrections and up-selling. The digitization drive across the 38 cities after 4 metro cities of the country has contributed to increase in customer base. Digitization together with high customer viewership of IPL and Champions Trophy has resulted in revival of active base leading to churn being all time low at 0.6% during the quarter.

For the quarter ended June 30, 2013, the revenues from Digital TV operations of Rs 4,901 million represented a significant growth of 34.0% over the corresponding quarter last year. The EBITDA for the quarter was positive Rs 760 million compared to negative of Rs 23 million in the corresponding quarter last year. The EBITDA margin for this segment was 15.5% for the quarter ended June 30, 2013. The acquisition and subscription pricing correction over the last few quarters have enabled i) quality acquisition and lower churn, ii) improved realization, iii) higher incremental EBITDA and EBIT, and iv) lower cash burn. During the quarter ended June 30, 2013, the Company incurred a capital expenditure of Rs 2,239 million in Digital TV Services.

5.5.6 B2B Services – India: Airtel Business

The revenues for the quarter ended June 30, 2013 for Airtel Business stood at Rs 14,036 million, a healthy growth of 17.9% over the corresponding quarter last year. The revenues from this segment contributed to 9.9% of the total revenues of India. Improved realizations on inbound calls and higher traffic in ITFS services have fuelled the overall growth in this segment. The EBITDA during the quarter ended June 30, 2013 was Rs 2,765 million, a growth of 52.4% over the corresponding quarter last year. EBITDA margin for the quarter ended June 30, 2013 was 19.7% compared to 15.2% over the corresponding quarter last year after absorbing additional charge for central common expenses allocation in both the periods. The EBIT for the quarter ended June 30, 2013, was Rs 1,422 million as compared to Rs 431 million for the quarter ended June 30, 2012, a growth of 230.0%.

During the quarter ended June 30, 2013, the Company incurred a capital expenditure of Rs 281 million in Airtel Business. The operating free cash flow during the quarter was Rs 2,484 million, a growth of 50.7% over the corresponding quarter last year.

5.5.7 Tower Infrastructure Services

Effective April 01, 2013, In compliance with International reporting standards (IFRS 11), the Company has consolidated its interest in Indus Towers Ltd (ITL), a joint venture under equity method as compared to proportionate consolidation followed till March 31, 2013. The financials of the previous quarters have been restated to make them comparable with the current quarter. Please refer section 5.3.3 on page 26 for the impact of restatement of previous quarters. The results of Tower Infrastructure now represent stand-alone operations of Bharti Infratel Ltd, with the interest in ITL disclosed under share of profits from Associates/Joint venture.

Pursuant to the merger of Bharti Infratel Ventures Limited (BIVL), a subsidiary of Bharti Infratel Ltd. with Indus Towers Ltd. effective June 10, 2013, as per the Court approved scheme, the IRU arrangement between BIVL and Indus Towers Ltd, ceases to exist post the merger. Consequently, the separate IRU income and expense accounting in the consolidated financials is no longer required, resulting in the segment's revenue, EBITDA and EBIT for the quarter ended June 30 2013, being lower by Rs 402 million, Rs 402 million and Rs 145 million respectively.

The revenues for the quarter ended June 30, 2013 for Tower Infrastructure Services were Rs 12,832 million, a growth of 8.9% over the corresponding quarter last year. However, compared to the previous quarter ended March 31, 2013, the revenues in this quarter are lower due to one-time compensation of Rs 340 million booked in the previous quarter as well as the above mentioned IRU related impact of Rs 402 million.

The EBITDA during the quarter was Rs 5,745 million with EBITDA margin sustained at 44.8%. The EBIT for the quarter ended June 30, 2013 was Rs 1,916 million as compared to Rs 1,551 million for the quarter ended June 30, 2012, a growth of 23.6%.

Had the Company followed the accounting for interest in joint venture under proportionate consolidation method (applied till March 31, 2013), the revenue, EBITDA and EBIT for the quarter ended June 30, 2013 for Tower Infrastructure services would have been Rs 26,867 million, Rs 10,586 million, and Rs 4,804 million respectively.

During the quarter ended June 30, 2013, the Company incurred a capital expenditure of Rs 1,727 million in Tower Infrastructure Services. The operating free cash flow during the quarter was Rs 4,018 million, a growth of 32.4% over the corresponding quarter last year. The Company's share of the profits of ITL during the quarter came in at Rs 922 million, a growth of 18.9% over the corresponding quarter last year.

As at the end of the quarter, Bharti Infratel had 35,288 towers with average sharing factor of 1.82 times. Bharti Infratel holds 42% stake in ITL which owns 111,983 towers at an average sharing factor of 1.99 times as on June 30, 2013.

5.5.8 International Operations

Effective April 01, 2013, the results of South Asia (Sri Lanka & Bangladesh), earlier reported under India & South Asia, now forms part of International region. International now includes Africa (including financials of Warid Uganda post its acquisition on May 13, 2013) & South Asia (Sri Lanka & 100% of Bangladesh, post the acquisition of 30% minority

interest on June 12, 2013). The financials of the previous quarters have been restated accordingly.

The revenue for the quarter ended June 30, 2013, from International operations was \$ 1,132 million with a growth of 1.2% over the corresponding quarter last year. The EBITDA during the quarter ended June 30, 2013 was \$ 286 million, a growth of 7.2% compared to corresponding quarter last year and the EBITDA margin at 25.3%.

5.5.8.1 Africa

During the quarter, the Africa operations were significantly impacted by regulatory changes and political unrest in key markets. The recent changes in the interconnect regime (new mobile termination rates) resulted in lower gross revenue with no consequential impact on net revenue and EBITDA. The mobile termination rates in Nigeria and DRC were revised down ward by 40%, 33% respectively. Further Tanzania which had revised the rates effective March 1, 2013, had a full quarter impact reduction in rates to the extent of 70%. Further, implementation of KYC norms in Nigeria leading to disconnection of 1.4 million active customers, and pricing intervention by the Regulator in Gabon had consequential impact on the top line. These changes impacted the quarter's gross revenue by \$ 41 million.

The political environment was a mixed bag. While the post-election situation in Kenya remained peaceful, there was unrest in parts of Nigeria leading to declaration of emergency in three northern states. Our internal estimate indicates a probable loss of traffic and resultant revenue loss of \$ 21 million during the period of emergency.

In line with the Company's strategy of growing smartphone penetration in key markets, we enhanced distributor participation in device and bundling activities during the quarter. As a result the Company's direct sale of products was reduced by \$ 22 million compared to the previous quarter ending March 31, 2013.

As on June 30, 2013, the Company had an aggregate of 64.2 million GSM mobile customers consisting of 2.4 million of Warid Uganda on its network, a growth of 14.9% over the corresponding quarter last year. VLR ratio has been improved from 85.3% to 86.7% compared to corresponding quarter last year.

The minutes on the network for the quarter stood at 26.0 billion as compared to 19.7 billion in Q1'13, reflecting a growth of 32.2%. The blended monthly voice usage per customer moved up by 13 minute to 134 minutes over the quarter ended June 30, 2012. Much of the increase has come through bundled offers.

As on June 30, 2013, the Company has launched its 3G services in 14 countries (including DRC & Burkina Faso launched during the quarter). The Company has 6,201 3G sites including 525 sites rolled out during the quarter. Though the data segment is in early stages of growth, the performance has been very encouraging. At the end of Q1'14, unique data customers stood at 15.5 million, up from 11.5 million in Q1'13. The overall penetration has increased from 20.6% in Q1'13 to 24.2% in Q1'14, reflecting the acceptance of data products by the customers. Data ARPU came at US\$ 1.3 during the quarter ended June 30, 2013. Data now contributes 5.4% of the total mobile revenues of Africa operation (against 4.4% in Q4'13) and 3.4% in the corresponding quarter last year.

The gross ARPU for the quarter was US\$ 5.5 against US\$ 6.5 in the corresponding quarter last year. This drop in ARPU was primarily led by reduction in interconnect rate and lower handset sale. Further, the drop in voice realization per

minute from USc 4.73 to USc 3.38 is reflective of competitive intensity.

M-commerce business under the brand name of Airtel money already launched in all the 17 countries, recorded revenue of \$ 3.2 million and growth of 39% over the previous quarter ended March 31, 2013.

Reported gross revenue at \$ 1,062 million represents growth of 0.9% in constant currency over the corresponding quarter last year. After adjusting for loss of revenue from downward revision of inter-connect rates of \$ 41 million and \$ 21 million from political unrest in three states of Nigeria, the adjusted revenue and growth stands at \$ 1,124 Mn and 6.8% respectively. The reported net revenue (net of interconnect cost and cost of goods sold) came in at \$ 885 million as compared to \$ 841 million of same quarter last year, with a reported growth of 5.3%. As reiterated earlier the dilution in gross revenue in the form of lower termination rates and low yielding handset sales are EBITDA margin accretive.

EBITDA for the quarter ended June 30, 2013, came in at \$ 283 million (\$ 285 million excluding Warid acquisition related cost). The EBITDA margin has improved from 25.8% to 26.7% over a one year horizon. With much of the efficiency program on operating expenses having been embedded in the business, all efforts are now concentrated towards market place execution to drive top line growth. EBIT for the quarter ended June 30, 2013 remained flat at \$ 64 million over the corresponding quarter last year.

During the quarter ended June 30, 2013, the Company incurred a capital expenditure of \$ 165 million on its African operations. Africa has now sustained positive cash generation for the last seven quarters. The Operating Free Cash Flow in Africa was \$ 118 million for the quarter ended June 30, 2013.

5.5.8.2 South Asia

During the quarter ended June 30, 2013, all the financial and operational KPI's in South Asia have moved in the positive direction. As on June 30, 2013, the Company had 8.0 million GSM mobile customers on its network, a growth of 16.6% over the corresponding quarter last year. The minute of usage on network for the quarter ended stood at 10.5 billion, an improvement of 1.9 billion minutes over the corresponding quarter last year, reflecting 22.9% Y-o-Y growth. ARPU has increased by USc 0.36 from US\$ 2.58 in Q1'13 to US\$ 2.94 in Q1'14 as a result of increased voice usage per customer at 439 minutes (up by 5.6%) and voice realization per minute at USc 0.58 (up by 6.3%).

South Asia reported a revenue of \$ 70.0 million for the quarter ended June 30, 2013, a healthy growth of 32.4% over the corresponding quarter last year. The EBITDA turned positive during the quarter at \$ 2.9 million compared to negative of \$ 7.9 million in the corresponding quarter last year. The EBIT loss for the quarter was lower at \$ 18.1 million as compared to \$ 26.0 million for the quarter ended June 30, 2012.

The reduction in SIM tax by the Bangladesh Government from BDT 600 to BDT 300 is a welcome move and is a step in the right direction to make mobile telephony affordable to large population in Bangladesh.

During the quarter ended June 30, 2013, the Company incurred capital expenditure of \$ 15.4 million in South Asia. The reduction in cash burn by 72.0% compared to corresponding quarter last year has been achieved through robust topline growth and prudent cost management.

5.6 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

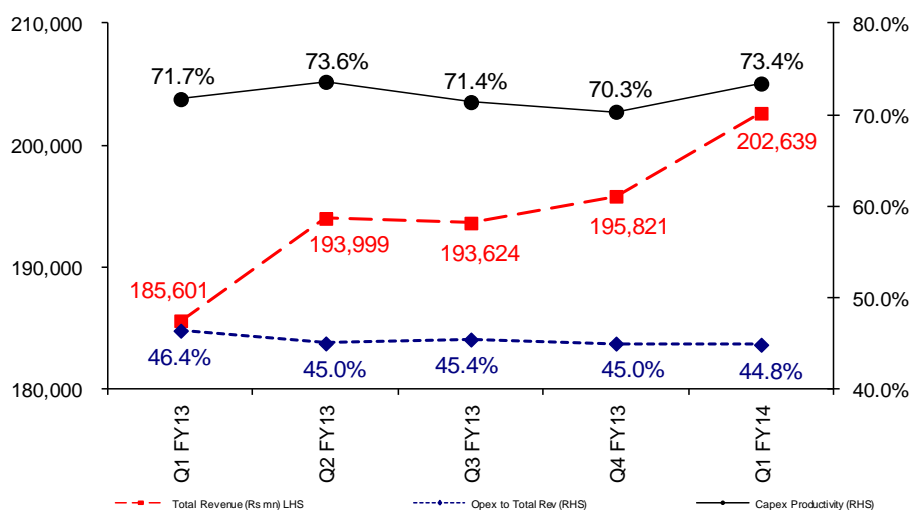
1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii)

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

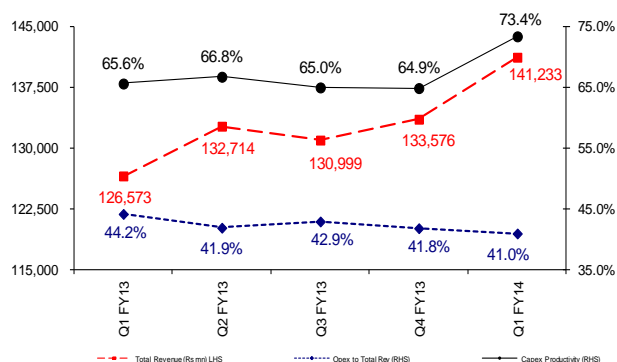
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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

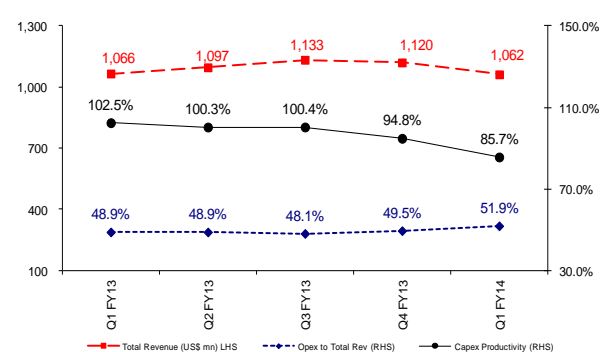
5.6.1 Bharti Airtel Consolidated



5.6.2 Bharti Airtel - India



5.6.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

6.1 General Information

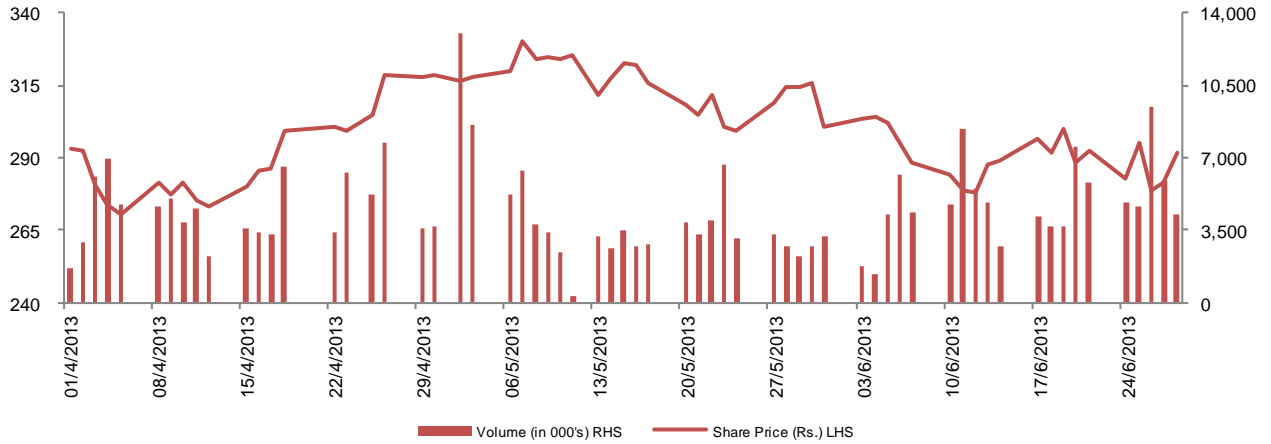
Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (28/06/13)	Mn Nos	3,997.40
Closing Market Price - BSE (28/06/13)	Rs /Share	291.40
Combined Volume (NSE & BSE) (01/04/13 - 28/06/13)	Nos in Mn/day	4.45
Combined Value (NSE & BSE) (01/04/13 - 28/06/13)	Rs bn /day	1.33
Market Capitalization	Rs bn	1,165
Market Capitalization	US\$ bn	19.51
Book Value Per Equity Share	Rs /share	143.92
Market Price/Book Value	Times	2.02
Enterprise Value	Rs bn	1,749
Enterprise Value	US\$ bn	29.29
Enterprise Value/ Annualised Q1 Revenue	Times	2.16
Enterprise Value/ Annualised Q1 EBITDA	Times	6.68

6.2 Summarized Shareholding pattern as of June 30, 2013

Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,741,830,892	43.57%
Foreign	865,673,286	21.66%
Sub total	2,607,504,178	65.23%
Public Shareholding		
Institutions	975,504,371	24.40%
Non-institutions	414,391,553	10.37%
Sub total	1,389,895,924	34.77%
Total	3,997,400,102	100.00%

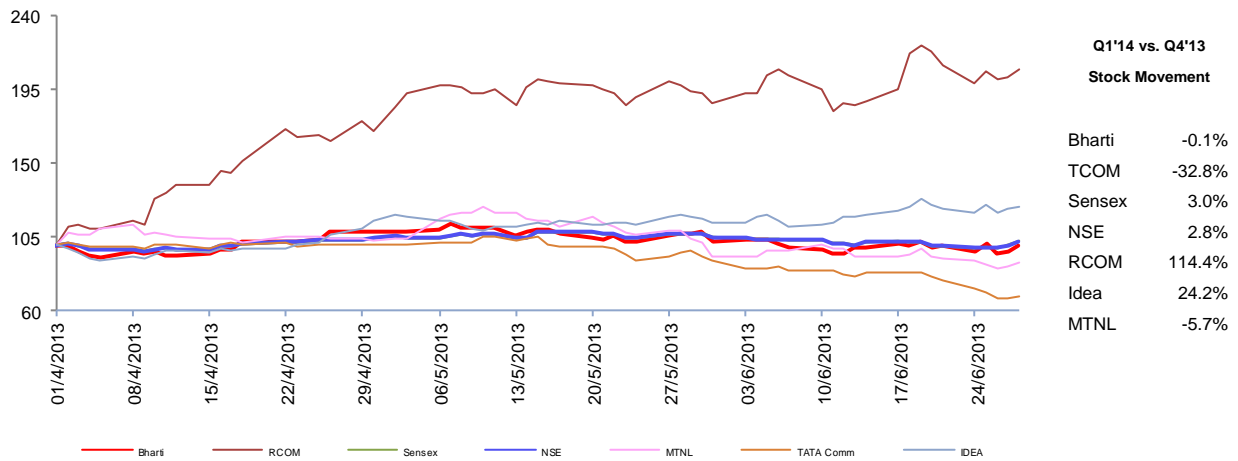
Note 36: During the quarter ended June 30, 2013, the Company has issued 199,870,006 new equity shares to M/s. Three Pillars Pte. Ltd (an affiliate of Qatar Foundation Endowment), belonging to non-promoter category for a consideration of Rs 67,955.80 million.

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

Particulars	Amount in Rs mn, except ratios		
	Quarter Ended		
	Jun 2013	Jun 2012	Y-on-Y Growth
Revenue	202,639	185,601	9%
Other operating income	356	102	249%
Operating expenses	(137,546)	(130,847)	5%
Depreciation & amortisation	(38,470)	(35,901)	7%
Profit / (Loss) from operations	26,979	18,955	42%
Share of results of Joint Ventures / Associates	822	706	
Profit / (Loss) before interest and tax	27,801	19,661	41%
Finance income	4,213	2,562	64%
Finance costs	(15,889)	(9,929)	60%
Exceptional (expenses) / income, net	2,252	0	
Profit / (Loss) before tax	18,377	12,294	49%
Income tax income / (expense)	(9,684)	(4,543)	113%
Net income / (loss) for the period	8,693	7,751	12%
Income Attributable to :			
Equity holders of the parent	6,889	7,622	-10%
Non controlling interests	1,804	129	1298%
Net Income / (Loss)	8,693	7,751	12%
Earning Per Share			
Basic, profit attributable to equity holders of parent (In Rs)	1.80	2.01	
Diluted, profit attributable to equity holders of parent (In Rs)	1.80	2.01	

Note 37: Refer section 5.1.1 on "Consolidation of Joint Ventures: Proportionate Consolidation to Equity Accounting" on page 19 for details
 Note 38: Refer section 5.5.3 on "Exceptional Items" on page 26 for details.

7.1.2 Consolidated Statement of Comprehensive Income

Particulars	Amount in Rs mn, except ratios		
	Quarter Ended		
	Jun 2013	Jun 2012	Y-on-Y Growth
Net income / (loss) for the period	8,693	7,751	12%
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	11,414	(18,709)	161%
Income tax effect	(150)	0	
	11,264	(18,709)	160%
Items that will not be reclassified to profit or loss:			
Actuarial gains/(losses) on defined benefit plans	(150)	0	
Income tax effect	25	0	
	(125)	0	
Other comprehensive income / (loss) for the period, net of tax	11,139	(18,709)	160%
Total comprehensive income / (loss) for the period, net of tax	19,832	(10,958)	281%
Total comprehensive income / (loss) attributable to :			
Equity holders of the parent	18,415	(11,060)	266%
Non controlling interests	1,417	102	1289%
Total Comprehensive Income / (Loss)	19,832	(10,958)	281%

7.1.3 Consolidated Statement of Financial Position

Particulars	Amount in Rs mn	
	As at Jun 30, 2013	As at Mar 31, 2013 ³⁹
Assets		
Non-current assets		
Property, plant and equipment	613,848	638,277
Intangible assets	752,462	648,386
Investment in joint ventures / associates	54,796	11,552
Derivative financial assets	3,021	3,566
Other financial assets	13,207	16,326
Other non - financial assets	22,866	18,749
Deferred tax asset	64,696	58,491
	1,524,896	1,395,347
Current assets		
Inventories	1,534	1,109
Trade and other receivable	57,452	67,824
Derivative financial assets	1,875	1,097
Prepayments and other assets	32,606	30,860
Income tax recoverable	6,441	10,093
Short term investments	114,090	65,546
Other financial assets	4,537	4,299
Cash and cash equivalents	37,835	16,078
	256,370	196,906
Total assets	1,781,266	1,592,253
Equity and liabilities		
Equity		
Issued capital	19,987	18,988
Treasury shares	(626)	(674)
Share premium	123,455	56,499
Retained earnings / (deficit)	420,791	414,027
Foreign currency translation reserve	(20,920)	(32,571)
Other components of equity	32,620	46,948
Equity attributable to equity holders of parent	575,307	503,217
Non-controlling interest	43,726	40,886
Total equity	619,033	544,103
Non-current liabilities		
Borrowing	542,793	569,137
Deferred revenue	11,194	9,685
Provisions	8,756	9,744
Derivative financial liabilities	4,638	893
Deferred tax liability	14,770	12,556
Other financial liabilities	21,325	23,204
Other non - financial liabilities	3,439	2,384
	606,915	627,603
Current liabilities		
Borrowing	201,846	98,226
Deferred revenue	42,181	39,560
Provisions	1,849	1,768
Other non - financial liabilities	19,069	13,245
Derivative financial liabilities	537	219
Income tax liabilities	8,500	7,627
Trade & other payables	281,336	259,902
	555,318	420,547
Total liabilities	1,162,233	1,048,150
Total equity and liabilities	1,781,266	1,592,253

Note 39: Consequent to the change in accounting for Joint venture from proportionate consolidation to Equity accounting, the total assets (excluding investment in associates/joint ventures) and liabilities as on March 31, 2013 is lower by Rs 92,289 million and Rs 80,979 million from the earlier reported financial position with no changes to Equity. Consequently, "Investment in associates/joint ventures" has increased by Rs 11,310 million.

7.1.4 Consolidated Statement of Cash Flows

	<i>Amount in Rs mn</i>
Particulars	Quarter Ended Jun 30, 2013
Cash flows from operating activities	
Profit before tax	18,377
Adjustments for -	
Depreciation and amortization	38,470
Finance income	(4,213)
Finance cost	15,889
Share of results of Joint ventures / associates	(822)
Exceptional items	(2,252)
Amortization of stock based compensation	(31)
Other non-cash items	(279)
Operating cash flow before changes in assets and liabilities	65,139
Trade & other receivables and prepayments	6,225
Inventories	(269)
Trade and other payables	33,574
Change in provision	2,280
Other financial and non financial liabilities	1,552
Other financial and non financial assets	(34,062)
Cash generated from operations	74,439
Interest received	1,478
Dividend received	2,200
Income tax paid	(5,474)
Net cash inflow from operating activities	72,643
Cash flows from investing activities	
Purchase of property, plant and equipment	(45,988)
Proceeds from sale of property, plant and equipment	5,777
Purchase of intangible assets	(1,638)
Short term investments (Net)	(47,647)
Investment in subsidiary, net of cash acquired ⁴²	(2,928)
Demerger of subsidiary	(8,009)
Loan to associates	286
Net cash outflow from investing activities	(100,147)
Cash flows from financing activities	
Proceeds from issuance of borrowings	77,593
Repayment of borrowings	(84,698)
Interest paid	(9,957)
Proceeds from exercise of stock options	13
Dividend paid (including tax) to non - controlling interests	(132)
Proceeds from issuance of equity shares to institutional investor ⁴¹	67,955
Payment of long term liability / acquisition of non-controlling interest	(3,828)
Net cash inflow / (outflow) from financing activities	46,946
Net (decrease) / increase in cash and cash equivalents during the period	19,442
Effect of exchange rate changes on cash and cash equivalents	(83)
Add : Balance as at the beginning of the period	1,312
Balance as at the end of the period	20,671

Note 40: Cash and Cash Equivalents is excluding bank overdraft.

Note 41: Includes proceeds of Rs 67,955.80 million from issue of 199.87 million new equity shares to M/s. Three Pillars Pte. Ltd. (an affiliate of Qatar Foundation Endowment).

Note 42: Investment in subsidiary includes i) acquisition of 100% stake in Warid Telecom, Uganda; and ii) acquisition of additional 2% stake in 4 Indian entities of Qualcomm.

7.2 Schedules to Financial Statements

7.2.1 India

7.2.1.1 Schedule of Operating Expenses

Particulars	Amount in Rs mn	
	Quarter Ended Jun 30, 2013	
Access charges	19,141	
Licence fees, revenue share & spectrum charges	14,816	
Network operations costs	34,199	
Cost of goods sold	314	
Employee costs	5,588	
Selling, general and administration expense	18,053	
Operating Expenses	92,111	

7.2.1.2 Schedule of Depreciation & Amortization

Particulars	Amount in Rs mn	
	Quarter Ended Jun 30, 2013	
Depreciation	21,879	
Amortization	3,184	
Depreciation and Amortization	25,063	

Note 43: Depreciation and Amortization reported above excludes the impact of exceptional items. Refer section 5.5.3 on "Exceptional Items" on page 26 for details.

7.2.1.3 Schedule of Income Tax

Particulars	Amount in Rs mn	
	Quarter Ended Jun 30, 2013	
Current tax expense	5,294	
Deferred tax expense / (income)	(622)	
Dividend distribution tax	-	
Income tax expense	4,672	

Note 44: Income tax expense reported above excludes the impact of exceptional items. Refer section 5.5.3 on "Exceptional Items" on page 26 for details.

7.2.2 Africa

7.2.2.1 Schedule of Operating Expenses

Particulars	Amount in US\$ mn
	Quarter Ended Jun 30, 2013
Access charges	156
Licence fees, revenue share & spectrum charges	54
Network operations costs	204
Cost of goods sold	21
Employee costs	95
Selling, general and administration expense	252
Operating Expenses	782

7.2.2.2 Schedule of Depreciation & Amortization

Particulars	Amount in US\$ mn
	Quarter Ended Jun 30, 2013
Depreciation	171
Amortization	48
Depreciation and Amortization	219

Note 45: Depreciation and Amortization reported above excludes the impact of exceptional items. Refer section 5.5.3 on "Exceptional Items" on page 26 for details.

7.2.2.3 Schedule of Income Tax

Particulars	Amount in US\$ mn
	Quarter Ended Jun 30, 2013
Current tax expense	49
Withholding taxes (WHT)	6
Deferred tax expense / (income)	13
Income tax expense	68

Note 46: Income tax expense reported above excludes the impact of exceptional items. Refer section 5.5.3 on "Exceptional Items" on page 26 for details.

7.2.3 South Asia

7.2.3.1 Schedule of Operating Expenses

Particulars	<i>Amount in US\$ mn</i>	
	Quarter Ended Jun 30, 2013	
Access charges	11	
Licence fees, revenue share & spectrum charges	7	
Network operations costs	21	
Cost of goods sold	1	
Employee costs	5	
Selling, general and administration expense	22	
Operating Expenses	67	

7.2.3.2 Schedule of Depreciation & Amortization

Particulars	<i>Amount in US\$ mn</i>	
	Quarter Ended Jun 30, 2013	
Depreciation	19	
Amortization	2	
Depreciation and Amortization	21	

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 Jun 30, 2013	As at Mar 31, 2013
Long term debt, net of current portion	542,793	569,137
Short-term borrowings and current portion of long-term debt	201,846	98,226
Less:		
Cash and Cash Equivalents	37,835	16,078
Restricted Cash	4,537	4,299
Restricted Cash, non-current	4,371	157
Short term investments	114,090	65,546
Net Debt	583,806	581,283

7.3.2 Schedule of Net Debt in US\$

Particulars	Amount in US \$ mn	
	As at Jun 30, 2013	As at Mar 31, 2013
Long term debt, net of current portion	9,092	10,464
Short-term borrowings and current portion of long-term debt	3,381	1,806
Less:		
Cash and Cash Equivalents	634	296
Restricted Cash	76	79
Restricted Cash, non-current	73	3
Short term investments	1,911	1,205
Net Debt	9,779	10,687

Note 47: Refer section 5.1.1 on "Consolidation of Joint Ventures: Proportionate Consolidation to Equity Accounting" on page 19 and Refer section 5.4.1 on "Impact of equity accounting for joint ventures on consolidated financials" on page 24 for details.

Note 48: Effective June 25, 2013, the four Indian entities of Qualcomm has become subsidiaries of the Company with 51% shareholding, resulting in full consolidation of their financials. Consequently, Net debt is higher by Rs 52,601 million.

Note 49: Net debt for the quarter ended June 30, 2013, is lower by Rs 67,955.80 million arising from fresh issue of equity capital to M/s. Three Pillars Pte. Ltd. (an affiliate of Qatar Foundation Endowment).

7.3.3 Schedule of Finance Cost

Particulars	Amount in Rs mn
	Quarter Ended Jun 30, 2013
Interest on borrowings & Finance charges	10,413
Derivatives and exchange (gain)/loss	5,340
Investment Income	(4,077)
Finance cost (net)	11,676

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 40
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit / (Loss) from Operating Activities	Page 40
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

Particulars	Quarter Ended Jun 2013
Profit / (Loss) from Operating Activities To EBITDA	
Profit / (Loss) from Operating Activities	26,979
Add: Depreciation and Amortization	38,470
EBITDA	65,449
Reconciliation of Finance Cost	
Finance Cost	15,889
Finance Income	(4,213)
Finance Cost (net)	11,676
Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation	
Profit / (Loss) from Operating Activities	26,979
Add: Depreciation and Amortization	38,470
Less: Finance Cost (net)	11,676
Add: Derivatives and exchange (gain)/loss	5,340
Cash Profit from Operations before Derivative & Exchange Fluctuation	59,113

ANNEXURE – TRENDS AND POLICIES

A.1 Trends & Ratio Analysis

A.1.1 Based on Statement of Operations

Consolidated

Amount in Rs mn

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Total Revenues	202,639	195,821	193,624	193,999	185,601
Access charges & Cost of goods sold	28,458	30,325	31,293	30,977	28,465
Net revenue	174,181	165,496	162,331	163,021	157,136
Operating Expenses (excluding access charges, cost of goods sold & license fee)	90,869	88,061	87,931	87,271	86,080
Licence Fee	18,219	16,933	16,785	16,468	16,302
EBITDA	65,449	60,605	57,749	59,369	54,856
Cash profit from operations before Derivative and Exchange Fluctuations	59,113	51,475	47,914	50,370	45,884
EBIT	26,979	22,601	20,399	22,478	18,955
Share of results of Joint Ventures/Associates	822	875	943	982	706
Profit before tax	16,125	12,318	9,032	14,210	12,294
Net income	6,889	5,086	2,837	7,212	7,622
Capex	22,954	32,878	22,132	37,752	33,689
Operating Free Cash Flow (EBITDA - Capex)	42,495	27,727	35,617	21,618	21,167
Cumulative Investments	2,010,123	1,861,643	1,837,905	1,785,567	1,803,201
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
As a % of Total Revenues					
Access charges & cost of goods sold	14.0%	15.5%	16.2%	16.0%	15.3%
Net revenue	86.0%	84.5%	83.8%	84.0%	84.7%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	44.8%	45.0%	45.4%	45.0%	46.4%
Licence Fee	9.0%	8.6%	8.7%	8.5%	8.8%
EBITDA	32.3%	30.9%	29.8%	30.6%	29.6%
Cash profit from operations before Derivative and Exchange Fluctuations	29.2%	26.3%	24.7%	26.0%	24.7%
EBIT	13.3%	11.5%	10.5%	11.6%	10.2%
Share of results of JV / Associates	0.4%	0.4%	0.5%	0.5%	0.4%
Profit before tax	8.0%	6.3%	4.7%	7.3%	6.6%
Net income	3.4%	2.6%	1.5%	3.7%	4.1%

Refer Note 6, 7, 8 on page 7

India

Amount in Rs mn

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Total Revenues	141,233	133,576	130,999	132,714	126,573
Access charges & cost of goods sold	19,455	18,744	19,936	20,297	16,816
Net revenue	121,778	114,832	111,063	112,417	109,756
Operating Expenses (excluding access charges, cost of goods sold & license fee)	57,840	55,863	56,237	55,609	55,906
Licence Fee	14,816	13,828	13,486	13,559	13,570
EBITDA	49,316	45,238	41,452	43,323	40,385
EBIT	24,253	20,353	17,175	19,487	16,978
Profit before tax	20,785	18,320	13,501	20,830	19,959
Net income (before exceptional items)	14,788	10,846	8,864	13,878	15,802
Capex	12,800	18,794	13,002	24,905	25,264
Operating Free Cash Flow (EBITDA - Capex)	36,517	26,443	28,450	18,419	15,121
Cumulative Investments	1,127,138	1,081,133	1,060,504	1,047,435	1,028,727

	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
As a % of Total Revenues					
Access charges & cost of goods sold	13.8%	14.0%	15.2%	15.3%	13.3%
Net revenue	86.2%	86.0%	84.8%	84.7%	86.7%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	41.0%	41.8%	42.9%	41.9%	44.2%
Licence Fee	10.5%	10.4%	10.3%	10.2%	10.7%
EBITDA	34.9%	33.9%	31.6%	32.6%	31.9%
EBIT	17.2%	15.2%	13.1%	14.7%	13.4%
Profit before tax	14.7%	13.7%	10.3%	15.7%	15.8%
Net income	10.5%	8.1%	6.8%	10.5%	12.5%

Refer Note 10, 11, 13 on page 8

International – Comprises of Africa and South Asia

In INR:

Amount in Rs mn

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Total Revenues	63,222	64,099	64,775	63,450	60,440
Access charges & cost of goods sold	10,569	13,025	13,146	12,348	12,704
Net revenue	52,653	51,073	51,629	51,103	47,736
Operating Expenses (excluding access charges, cost of goods sold & license fee)	33,392	32,636	32,073	32,179	30,527
Licence Fee	3,403	3,105	3,299	2,909	2,730
EBITDA	16,063	15,358	16,297	16,046	14,495
EBIT	2,656	2,238	3,223	2,990	2,000
Profit before tax	(3,996)	(6,011)	(4,469)	(6,620)	(7,642)
Net income (before exceptional items)	(7,034)	(5,768)	(6,028)	(6,665)	(8,157)
Capex	10,155	14,084	9,130	12,847	8,425
Operating Free Cash Flow (EBITDA - Capex)	5,908	1,274	7,167	3,199	6,070
Cumulative Investments	882,985	780,510	777,401	738,132	774,474
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
As a % of Total Revenues					
Access charges & cost of goods sold	16.7%	20.3%	20.3%	19.5%	21.0%
Net revenue	83.3%	79.7%	79.7%	80.5%	79.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	52.8%	50.9%	49.5%	50.7%	50.5%
Licence Fee	5.4%	4.8%	5.1%	4.6%	4.5%
EBITDA	25.4%	24.0%	25.2%	25.3%	24.0%
EBIT	4.2%	3.5%	5.0%	4.7%	3.3%
Profit before tax	-6.3%	-9.4%	-6.9%	-10.4%	-12.6%
Net income	-11.1%	-9.0%	-9.3%	-10.5%	-13.5%

In USD:

Amount in US \$ mn

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Total Revenues	1,132	1,184	1,190	1,150	1,119
Access charges & cost of goods sold	188	241	242	224	235
Net revenue	944	944	949	926	885
Operating Expenses (excluding access charges, cost of goods sold & license fee)	600	603	590	583	568
Licence Fee	61	57	61	53	51
EBITDA	286	284	299	291	267
EBIT	46	41	58	55	36
Profit before tax	(73)	(111)	(83)	(120)	(143)
Net income (before exceptional items)	(126)	(107)	(112)	(120)	(152)
Capex	181	260	168	233	156
Operating Free Cash Flow (EBITDA - Capex)	106	23	130	58	111
Cumulative Investments	14,790	14,350	14,192	14,006	13,753
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
As a % of Total Revenues					
Access charges & cost of goods sold	16.6%	20.3%	20.3%	19.5%	21.0%
Net revenue	83.4%	79.7%	79.7%	80.5%	79.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	53.0%	50.9%	49.6%	50.7%	50.7%
Licence Fee	5.4%	4.8%	5.1%	4.6%	4.5%
EBITDA	25.3%	23.9%	25.1%	25.3%	23.9%
EBIT	4.1%	3.5%	4.9%	4.7%	3.2%
Profit before tax	-6.4%	-9.4%	-7.0%	-10.4%	-12.7%
Net income	-11.1%	-9.0%	-9.4%	-10.5%	-13.6%

Refer Note 10, 11, 13 on page 8

Africa

Amount in US\$ mn

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Total Revenues	1,062	1,120	1,133	1,097	1,066
Access charges & cost of goods sold	177	230	233	216	226
Net revenue	885	890	900	881	841
Operating Expenses (excluding access charges, cost of goods sold & license fee)	551	555	546	536	521
Licence Fee	54	51	55	47	45
EBITDA	283	285	300	298	275
EBIT	64	62	80	80	62
Profit before tax	(50)	(91)	(64)	(90)	(108)
Net income (before exceptional items)	(106)	(90)	(96)	(97)	(124)
Interest expense on acquisition loans	49	42	43	46	47
Net income from operations (before exceptional items)	(57)	(48)	(53)	(51)	(77)
Capex	165	235	160	210	119
Operating Free Cash Flow (EBITDA - Capex)	118	50	140	88	156
Cumulative Investments	13,947	13,543	13,429	13,278	13,044

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Exchange Fluctuation Impact					
Reported revenues (US \$)	1,062	1,120	1,133	1,097	1,066
a. QoQ growth (%)	-5.22%	-1.15%	3.37%	2.84%	-0.45%
b. Impact of exchange fluctuation (%) ⁵⁰	-0.19%	-0.39%	-0.03%	-0.71%	-1.53%
c. QoQ growth in constant currency (%) (a - b)	-5.02%	-0.76%	3.41%	3.55%	1.08%
Revenues in constant currency (US \$) ⁵¹	1,062	1,118	1,127	1,090	1,052

Note 50: Based on QoQ variation and weighted on the revenues of each country for the current quarter

Note 51: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended June 30, 2013.

	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
As a % of Total Revenues					
Access charges & cost of goods sold	16.7%	20.5%	20.6%	19.7%	21.2%
Net revenue	83.3%	79.5%	79.4%	80.3%	78.8%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	51.9%	49.5%	48.1%	48.9%	48.9%
Licence Fee	5.1%	4.5%	4.8%	4.3%	4.2%
EBITDA	26.7%	25.4%	26.5%	27.2%	25.8%
EBIT	6.1%	5.5%	7.1%	7.3%	5.8%
Profit before tax	-4.7%	-8.2%	-5.7%	-8.2%	-10.1%
Net income from operations	-5.4%	-4.3%	-4.7%	-4.6%	-7.2%

South Asia

Amount in US\$ mn

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Total Revenues	70	64	57	53	53
Access charges & cost of goods sold	12	10	8	7	9
Net revenue	58	53	49	46	44
Operating Expenses (excluding access charges, cost of goods sold & license fee)	48	48	44	47	46
Licence Fee	7	6	6	6	6
EBITDA	3	(1)	(2)	(7)	(8)
EBIT	(18)	(21)	(22)	(25)	(26)
Profit before tax	(23)	(20)	(19)	(30)	(35)
Net income (before exceptional items)	(19)	(17)	(15)	(23)	(28)
Capex	16	26	8	23	37
Operating Free Cash Flow (EBITDA - Capex)	(13)	(27)	(10)	(29)	(45)
Cumulative Investments	843	807	763	728	709

Parameters	For the Quarter Ended				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Exchange Fluctuation Impact					
Reported revenues (US \$)	70	64	57	53	53
a. QoQ growth (%)	9.69%	12.57%	6.47%	0.72%	3.04%
b. Impact of exchange fluctuation (%) ⁵²	0.16%	2.62%	1.40%	-0.50%	-2.36%
c. QoQ growth in constant currency (%) (a - b)	9.53%	9.95%	5.07%	1.22%	5.40%
Revenues in constant currency (US \$) ⁵³	70	64	58	55	55

Note 52: Based on QoQ variation and weighted on the revenues of each country for the current quarter

Note 53: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended June 30, 2013.

	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
As a % of Total Revenues					
Access charges & cost of goods sold	17.4%	16.4%	14.3%	14.0%	16.9%
Net revenue	82.6%	83.6%	85.7%	86.0%	83.1%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	68.7%	75.5%	78.1%	88.1%	87.7%
Licence Fee	9.8%	10.0%	10.4%	10.5%	10.4%
EBITDA	4.1%	-2.0%	-2.8%	-12.5%	-15.0%
EBIT	-25.8%	-32.5%	-38.3%	-47.9%	-49.2%
Profit before tax	-33.2%	-31.0%	-33.1%	-55.7%	-65.8%
Net income	-27.8%	-26.4%	-26.7%	-43.4%	-52.9%

Refer Note 29 on page 12

A.1.2 Financial Trends of Business Operations

Mobile Services India - Comprises of Consolidated Statement of Operations of Mobile Services in India.

Particulars	Quarter Ended				
	Jun 2013	Mar 2013	Dec 2012	Sep 2012	Jun 2012
Total revenues	116,013	110,173	106,994	108,906	104,635
EBITDA	37,633	33,696	31,219	33,396	31,266
<i>EBITDA / Total revenues</i>	32.4%	30.6%	29.2%	30.7%	29.9%
EBIT	20,979	17,313	15,219	18,012	16,245
Capex	7,907	13,128	8,067	16,793	18,200
Operating Free Cash Flow	29,726	20,569	23,152	16,602	13,066
Cumulative Investments	788,507	730,412	716,653	709,404	694,427

Refer Note 15, 16, 17 on page 9.

Telemedia Services

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Jun 2013	Mar 2013	Dec 2012	Sep 2012	Jun 2012
Total revenues	9,484	9,130	8,938	8,940	8,889
EBITDA	3,764	3,783	3,735	3,699	3,530
<i>EBITDA / Total revenues</i>	39.7%	41.4%	41.8%	41.4%	39.7%
EBIT	1,439	1,866	1,767	1,794	1,572
Capex	660	558	745	788	1,317
Operating Free Cash Flow	3,104	3,225	2,990	2,911	2,213
Cumulative Investments	75,692	74,974	73,910	73,212	72,403

Refer Note 18, 19 on page 9.

Digital TV Services

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Jun 2013	Mar 2013	Dec 2012	Sep 2012	Jun 2012
Total revenues	4,900	4,419	4,280	3,937	3,658
EBITDA	760	296	147	33	(23)
<i>EBITDA / Total revenues</i>	15.5%	6.7%	3.4%	0.8%	-0.6%
EBIT	(1,156)	(1,784)	(1,828)	(2,228)	(2,265)
Capex	2,239	1,326	1,351	1,630	3,241
Operating Free Cash Flow	(1,479)	(1,030)	(1,204)	(1,598)	(3,264)
Cumulative Investments	42,596	40,366	39,245	37,876	35,402

Airtel Business

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Jun 2013	Mar 2013	Dec 2012	Sep 2012	Jun 2012
Total revenues	14,036	13,144	14,219	13,934	11,906
EBITDA	2,765	2,800	2,154	2,056	1,814
<i>EBITDA / Total revenues</i>	19.7%	21.3%	15.2%	14.8%	15.2%
EBIT	1,422	1,282	728	670	431
Capex	281	38	139	458	166
Operating Free Cash Flow	2,484	2,762	2,015	1,598	1,648
Cumulative Investments	42,886	43,136	42,806	42,268	42,927

Refer Note 20 on page 10.

Tower Infrastructure Services

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Jun 2013	Mar 2013	Dec 2012	Sep 2012	Jun 2012
Total revenues	12,832	13,160	12,745	12,173	11,787
EBITDA	5,745	6,161	5,674	5,428	5,250
<i>EBITDA / Total revenues</i>	<i>44.8%</i>	<i>46.8%</i>	<i>44.5%</i>	<i>44.6%</i>	<i>44.5%</i>
EBIT	1,916	2,197	1,768	1,610	1,551
Share of results of Joint Ventures / Associates	922	952	982	1,058	775
Capex	1,727	3,533	2,369	2,883	2,215
Operating Free Cash Flow	4,018	2,628	3,305	2,545	3,035
Cumulative Investments	170,017	181,965	177,759	175,403	176,606

Refer Note 21, 22 on page 10.

Others

Amount in Rs mn

Particulars	Quarter Ended				
	Jun 2013	Mar 2013	Dec 2012	Sep 2012	Jun 2012
Total revenues	791	761	729	928	808
EBITDA	(321)	(511)	(481)	(378)	(540)
EBIT	(331)	(514)	(483)	(381)	(543)
Capex	(0)	220	330	2,353	125
Operating Free Cash Flow	(321)	(731)	(811)	(2,731)	(665)
Cumulative Investments	7,440	10,281	10,130	9,271	6,961

Refer Note 23, 24 on page 11.

A.1.3 Based on Statement of Financial Position

Consolidated

Amount in Rs mn

Parameters	As at				
	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Equity attributable to equity holders of parent	575,307	503,217	516,274	493,070	495,150
Net Debt	583,806	581,283	582,176	610,526	654,424
Net Debt (US \$)	9,779	10,687	10,628	11,586	11,622
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,159,113	1,084,500	1,098,450	1,103,596	1,149,574

Parameters	Jun-13	Mar-13	Dec-12	Sep-12	Jun-12
Return on Equity attributable to equity holders of parent (LTM)	4.3%	4.5%	5.6%	7.1%	7.7%
Return on Capital Employed (LTM)	6.0%	5.6%	5.9%	6.0%	6.5%
Net Debt to EBITDA (LTM) - US \$	2.21	2.50	2.43	2.59	2.56
Net Debt to EBITDA (Annualised) - US \$	2.09	2.39	2.50	2.69	2.86
Assets Turnover ratio (LTM)	67.9%	68.0%	68.4%	68.6%	67.8%
Interest Coverage ratio (times)	7.44	7.26	6.62	6.67	6.53
Net debt to Equity attributable to equity holders of parent (Times)	1.01	1.16	1.13	1.24	1.32
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	1.80	1.34	0.75	1.90	2.01
Net profit/(loss) per diluted share (in Rs)	1.80	1.34	0.75	1.90	2.01
Book Value Per Equity Share (in Rs)	143.9	132.5	135.9	129.8	130.4
Market Capitalization (Rs. bn)	1,165	1,108	1,203	1,006	1,158
Enterprise Value (Rs. bn)	1,749	1,689	1,785	1,616	1,813

Note 54: Ratios have been restated for change in accounting of Joint Ventures from proportionate consolidation to equity accounting. Refer section 5.1.1 on "Consolidation of Joint Ventures" on page 19 for details.

A.1.4 Operational Performance – India

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Total Customers Base	000's	202,690	199,604	193,094	196,652	197,974
Mobile Services						
Customer Base	000's	190,948	188,220	181,922	185,922	187,302
VLR	%	95.2%	95.1%	95.0%	91.5%	90.8%
Net Additions	000's	2,728	6,298	(4,000)	(1,380)	6,023
Pre-Paid (as a % of total Customer Base)	%	95.6%	95.8%	95.8%	96.0%	96.2%
Monthly Churn	%	3.2%	3.2%	5.9%	8.5%	8.8%
Average Revenue Per User (ARPU)	Rs	200	193	185	177	185
Average Revenue Per User (ARPU)	US\$	3.6	3.6	3.4	3.2	3.4
Revenue per site per month	Rs	282,406	269,531	261,900	260,380	275,647
Voice						
Minutes on the network	Mn	258,380	253,144	240,814	234,224	239,338
Voice Average Revenue Per User (ARPU)	Rs	166	159	153	148	154
Voice Usage per customer	min	455	455	435	417	433
Voice Realization per minute	paisa	36.39	35.00	35.17	35.43	35.68
Non Voice Revenue						
% of Mobile revenues	%	17.3%	17.4%	17.3%	16.8%	16.3%
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.2%	9.1%	9.9%	10.1%	10.8%
Data as % of Mobile revenues	%	7.4%	6.5%	5.7%	5.2%	4.3%
Others as % of Mobile revenues	%	1.7%	1.8%	1.7%	1.5%	1.2%
Data						
Data Customer Base	000's	46,584	43,490	41,480	40,600	38,660
<i>Of which no. of 3G data customers</i>	000's	6,796	6,391	5,187	4,014	3,713
<i>As % of Customer Base</i>	%	24.4%	23.1%	22.8%	21.8%	20.6%
Total MBs on the network	Mn MBs	27,271	23,937	19,777	15,879	12,566
Data Average Revenue Per User (ARPU)	Rs	63	55	47	43	40
Data Usage per customer	MBs	203	187	161	133	112
Data Realization per MB	paisa	30.97	29.27	29.32	32.37	35.30
Telemedia Services						
Telemedia Customers	000's	3,289	3,283	3,278	3,275	3,272
<i>Of which no. of Broadband (DSL) customers</i>	000's	1,406	1,390	1,382	1,380	1,371
<i>As % of Customer Base</i>	%	42.7%	42.3%	42.2%	42.1%	41.9%
Net Additions	000's	6	5	4	3	2
Average Revenue Per User (ARPU)	Rs	924	906	909	910	906
Average Revenue Per User (ARPU)	US\$	16.5	16.7	16.7	16.5	16.8
Non Voice Revenue as % of Telemedia Revenues	%	57.8%	55.0%	54.6%	52.4%	51.4%
Digital TV						
Digital TV Customers	000's	8,452	8,100	7,894	7,455	7,400
Net additions	000's	352	207	439	55	172
Average Revenue Per User (ARPU)	Rs	197	184	186	177	166
Average Revenue Per User (ARPU)	US\$	3.5	3.4	3.4	3.2	3.1
Monthly Churn	%	0.6%	1.1%	1.3%	1.9%	1.7%

Refer Note 34 on page 15.

A.1.5 Traffic Trends – India

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Mobile Services	Mn Min	258,380	253,144	240,814	234,224	239,338
Telemedia Services	Mn Min	4,137	3,988	3,958	4,156	4,162
National Long Distance Services	Mn Min	23,795	24,533	23,216	22,997	22,241
International Long Distance Services	Mn Min	2,880	3,794	4,303	4,340	3,362
Total Minutes on Network (Gross)	Mn Min	289,192	285,460	272,291	265,717	269,103
Eliminations	Mn Min	(24,129)	(24,855)	(23,491)	(23,282)	(22,525)
Total Minutes on Network (Net)	Mn Min	265,063	260,604	248,800	242,435	246,578

A.1.6 Network and Coverage Trends - India

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Mobile Services						
Census Towns	Nos	5,121	5,121	5,121	5,121	5,121
Non-Census Towns & Villages	Nos	460,682	460,361	458,727	457,053	455,575
Population Coverage	%	86.7%	86.7%	86.7%	86.6%	86.5%
Optic Fibre Network	R Kms	173,217	171,610	166,506	162,457	159,762
Sites on Network	Nos	134,736	133,778	131,450	129,411	126,010
<i>Of which no. of 3G sites</i>	<i>Nos</i>	<i>25,604</i>	<i>24,573</i>	<i>22,515</i>	<i>20,333</i>	<i>18,012</i>
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	632	632	616
Coverage	%	100%	100%	99%	99%	96%

A.1.7 Tower Infrastructure Services

A.1.7.1 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Total Towers	Nos	35,288	35,119	34,668	34,220	33,446
Total Co-locations	Nos	64,345	63,573	63,080	62,027	60,714
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,537	37,467	37,863	36,839	36,170
Average Sharing Factor	Times	1.82	1.81	1.82	1.81	1.82

Additional Information

A.1.7.2 Indus Towers

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Total Towers	Nos	111,983	111,819	111,240	110,561	109,539
Total Co-locations	Nos	223,078	221,511	222,038	219,687	216,058
Average Sharing Factor	Times	1.99	1.99	1.99	1.98	1.96

A.1.7.3 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Total Towers	Nos	82,321	82,083	81,389	80,656	79,452
Total Co-locations	Nos	158,038	156,608	156,336	154,296	151,458
Average Sharing Factor	Times	1.91	1.91	1.92	1.91	1.90

A.1.8 Human Resource Analysis - India

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Total Employees	Nos	20,031	20,039	16,966	15,029	14,724
Number of Customers per employee	Nos	10,119	9,961	11,381	13,085	13,446
Personnel Cost per employee per month	Rs	92,985	87,627	95,997	105,510	104,436
Gross Revenue per employee per month	Rs	2,350,238	2,221,941	2,573,752	2,943,508	2,865,447

Refer Note 35 on page 16.

A.1.9 Africa

A.1.9.1 Operational Performance

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Customer Base	000's	64,203	63,718	61,687	58,667	55,855
VLR	%	86.7%	85.9%	86.1%	85.8%	85.3%
Net Additions	000's	485	2,031	3,020	2,812	2,715
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%	99.3%	99.3%	99.3%
Monthly Churn	%	6.7%	5.5%	5.1%	5.1%	5.1%
Average Revenue Per User (ARPU)	US\$	5.5	5.9	6.2	6.4	6.5
Revenue per site per month	US\$	20,438	21,784	22,725	22,872	23,134
Voice						
Minutes on the network	Mn	25,971	23,360	26,174	23,646	19,651
Voice Average Revenue Per User (ARPU)	US\$	4.5	4.9	5.3	5.5	5.7
Voice Usage per customer	min	134	123	144	138	120
Voice Realization per minute	US¢	3.38	3.95	3.68	4.03	4.73
Non Voice Revenue						
% of Mobile revenues	%	17.4%	17.7%	15.1%	13.0%	12.9%
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.7%	8.6%	7.8%	6.9%	7.0%
Data as % of Mobile revenues	%	5.4%	4.4%	3.9%	3.6%	3.4%
Others as % of Mobile revenues	%	3.3%	4.7%	3.4%	2.5%	2.5%
Data						
Data Customer Base	000's	15,544	14,535	14,107	13,935	NA
As % of Customer Base	%	24.2%	22.8%	22.9%	23.8%	NA
Total MBs on the network	Mn MBs	3,140	3,003	2,450	2,145	NA
Data Average Revenue Per User (ARPU)	US\$	1.3	1.2	1.1	1.0	NA
Data Usage per customer	MBs	70.2	73.4	58.3	56.2	NA
Data Realization per MB	US¢	1.81	1.64	1.94	1.73	NA

A.1.9.2 Operational Performance (in constant currency)

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Average Revenue Per User (ARPU)	US\$	5.5	5.9	6.2	6.3	6.4
Voice Average Revenue Per User (ARPU)	US\$	4.5	4.9	5.3	5.5	5.6
Voice Realization per minute	US¢	3.38	3.94	3.66	4.01	4.69

A.1.9.3 Network and Coverage Trends

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Sites on Network	Nos	17,345	16,653	16,371	15,979	15,439
Of which no. of 3G sites	Nos	6,201	5,676	5,527	5,347	4,787

A.1.9.4 Human Resource Analysis

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Total Employees	Nos	5,274	4,932	4,889	4,984	4,907
Number of Customers per employee	Nos	12,174	12,919	12,618	11,771	11,383
Personnel Cost per employee per month	US\$	5,982	6,373	6,211	6,015	5,436
Gross Revenue per employee per month	US\$	67,129	75,728	77,280	73,335	72,831

A.1.10 South Asia

A.1.10.1 Operational Performance

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Customer Base	000's	8,025	7,906	7,493	7,236	6,881
VLR	%	82.8%	83.9%	83.7%	82.6%	81.5%
Net Additions	000's	119	413	257	355	152
Pre-Paid (as % of total Customer Base)	%	97.5%	97.4%	97.3%	97.2%	97.3%
Monthly Churn	%	4.7%	3.8%	4.4%	5.7%	5.9%
Average Revenue Per User (ARPU)	US\$	2.9	2.8	2.6	2.5	2.6
Revenue per site per month	US\$	3,585	3,384	3,169	3,101	3,229
Voice						
Minutes on the network	Mn	10,472	9,860	9,230	8,853	8,522
Voice Average Revenue Per User (ARPU)	US\$	2.5	2.4	2.2	2.2	2.3
Voice Usage per customer	min	439	427	419	420	416
Voice Realization per minute	USc	0.58	0.56	0.53	0.52	0.54
Non Voice Revenue						
% of Mobile revenues	%	13.4%	14.1%	13.3%	13.8%	12.1%
Of Which						
Messaging & VAS as % of Mobile revenues	%	6.5%	7.0%	6.5%	6.1%	5.7%
Data as % of Mobile revenues	%	5.1%	5.1%	5.0%	5.7%	4.3%
Others as % of Mobile revenues	%	1.8%	2.0%	1.8%	2.0%	2.1%
Data						
Data Customer Base	000's	2,236	2,234	2,115	2,145	1,858
As % of Customer Base	%	27.9%	28.3%	28.2%	29.6%	27.0%
Total MBs on the network	Mn MBs	1,049	1,059	958	802	675
Data Average Revenue Per User (ARPU)	US\$	0.5	0.5	0.7	0.4	0.3
Data Usage per customer	MBs	157.8	171.6	154.8	132.3	121.7
Data Realization per MB	USc	0.34	0.30	0.43	0.28	0.23

A.1.10.2 Operational Performance (in constant currency)

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Average Revenue Per User (ARPU)	US\$	2.9	2.8	2.6	2.5	2.6
Voice Average Revenue Per User (ARPU)	US\$	2.5	2.4	2.2	2.2	2.3
Voice Realization per minute	USc	0.58	0.56	0.53	0.52	0.54

A.1.10.3 Network and Coverage Trends

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Sites on Network	Nos	6,532	6,474	6,086	5,829	5,561
Of which no. of 3G sites	Nos	684	673	671	633	492

A.1.10.4 Human Resource Analysis

Parameters	Unit	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Total Employees	Nos	737	739	735	736	729
Number of Customers per employee	Nos	10,888	10,698	10,195	9,830	9,438
Personnel Cost per employee per month	US\$	2,232	2,369	2,049	2,080	1,976
Gross Revenue per employee per month	US\$	31,653	28,778	25,703	24,108	24,166

A.2 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, infeasible 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.

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 (annualized).
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, restricted cash, restricted cash non-current and short-term investments as at the end of the relevant period.
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.
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
MMS	Multimedia Messaging Service
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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