Quarterly report on the results for the second quarter and half year ended September 30, 2012

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

November 07, 2012
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): - Wherever Africa financials are reported in the quarterly report, the same are published in their functional currency i.e. US$. Refer Section "A.2.4 Key Accounting Policies as per IFRS".

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 34.


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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### BHARTI AIRTEL – PERFORMANCE AT A GLANCE

#### Operating Highlights

<table>
<thead>
<tr>
<th>Particulars</th>
<th>UNITS</th>
<th>Full Year Ended</th>
<th>Quarter Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Customer Base</td>
<td>000's</td>
<td>137,013</td>
<td>220,877</td>
</tr>
<tr>
<td>Total Minutes on Netw ork</td>
<td>Mn Mn</td>
<td>643,109</td>
<td>890,093</td>
</tr>
<tr>
<td>Sites on Netw ork</td>
<td>Nos</td>
<td>107,443</td>
<td>131,304</td>
</tr>
<tr>
<td>Total Employees</td>
<td>Nos</td>
<td>18,791</td>
<td>23,371</td>
</tr>
<tr>
<td>No. of countries of operation</td>
<td>Nos</td>
<td>3</td>
<td>19</td>
</tr>
<tr>
<td>Population Covered</td>
<td>Bn</td>
<td>1.36</td>
<td>1.83</td>
</tr>
</tbody>
</table>

#### Consolidated Financials (Rs Mn)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>UNITS</th>
<th>Full Year Ended</th>
<th>Quarter Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>Rs Mn</td>
<td>418,948</td>
<td>595,383</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Rs Mn</td>
<td>168,149</td>
<td>200,718</td>
</tr>
<tr>
<td>EBIT</td>
<td>Rs Mn</td>
<td>105,317</td>
<td>98,652</td>
</tr>
<tr>
<td>Cash profit from operations before</td>
<td>Rs Mn</td>
<td>162,817</td>
<td>180,581</td>
</tr>
<tr>
<td>Derivative &amp; Exchange Fluctuations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit / (Loss) before Tax</td>
<td>Rs Mn</td>
<td>105,091</td>
<td>76,782</td>
</tr>
<tr>
<td>Net income</td>
<td>Rs Mn</td>
<td>89,768</td>
<td>60,467</td>
</tr>
<tr>
<td>Capex</td>
<td>Rs Mn</td>
<td>96,431</td>
<td>140,100</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>Rs Mn</td>
<td>71,718</td>
<td>60,617</td>
</tr>
<tr>
<td>Net Debt</td>
<td>Rs Mn</td>
<td>23,920</td>
<td>599,512</td>
</tr>
<tr>
<td>Shareholder’s Equity</td>
<td>Rs Mn</td>
<td>421,940</td>
<td>487,668</td>
</tr>
</tbody>
</table>

#### Consolidated Financials (US$ Mn)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>UNITS</th>
<th>Full Year Ended</th>
<th>Quarter Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>US$ Mn</td>
<td>8,797</td>
<td>13,063</td>
</tr>
<tr>
<td>EBITDA</td>
<td>US$ Mn</td>
<td>3,531</td>
<td>4,403</td>
</tr>
<tr>
<td>EBIT</td>
<td>US$ Mn</td>
<td>2,211</td>
<td>2,163</td>
</tr>
<tr>
<td>Cash profit from operations before</td>
<td>US$ Mn</td>
<td>3,419</td>
<td>3,961</td>
</tr>
<tr>
<td>Derivative &amp; Exchange Fluctuations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit / (Loss) before Tax</td>
<td>US$ Mn</td>
<td>2,207</td>
<td>1,682</td>
</tr>
<tr>
<td>Net income</td>
<td>US$ Mn</td>
<td>1,885</td>
<td>1,325</td>
</tr>
<tr>
<td>Capex</td>
<td>US$ Mn</td>
<td>2,025</td>
<td>3,072</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>US$ Mn</td>
<td>1,506</td>
<td>1,330</td>
</tr>
<tr>
<td>Net Debt</td>
<td>US$ Mn</td>
<td>530</td>
<td>13,427</td>
</tr>
<tr>
<td>Shareholder’s Equity</td>
<td>US$ Mn</td>
<td>9,347</td>
<td>10,922</td>
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#### Key Ratios

<table>
<thead>
<tr>
<th>Particulars</th>
<th></th>
<th>Full Year Ended</th>
<th>Quarter Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA Margin</td>
<td>%</td>
<td>40.1%</td>
<td>33.7%</td>
</tr>
<tr>
<td>EBIT Margin</td>
<td>%</td>
<td>25.1%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Net Profit Margin</td>
<td>%</td>
<td>21.4%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Net Debt to Funded Equity Ratio</td>
<td>Times</td>
<td>0.65</td>
<td>1.03</td>
</tr>
<tr>
<td>Net Debt to EBITDA (LTM) - US$</td>
<td>Times</td>
<td>0.15</td>
<td>0.29</td>
</tr>
<tr>
<td>Net Debt to EBITDA (Annualised) - US$</td>
<td>Times</td>
<td>0.15</td>
<td>0.29</td>
</tr>
<tr>
<td>Interest Coverage ratio</td>
<td>Times</td>
<td>30.66</td>
<td>11.20</td>
</tr>
<tr>
<td>Return on Shareholder’s Equity</td>
<td>%</td>
<td>24.5%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Return on Capital employed</td>
<td>%</td>
<td>20.7%</td>
<td>10.8%</td>
</tr>
</tbody>
</table>

#### Valuation Indicators

<table>
<thead>
<tr>
<th>Particulars</th>
<th></th>
<th>Full Year Ended</th>
<th>Quarter Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Capitalization</td>
<td>Rs Bn</td>
<td>1,184</td>
<td>1,358</td>
</tr>
<tr>
<td>Market Capitalization</td>
<td>US$ Bn</td>
<td>26.2</td>
<td>30.4</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>Rs Bn</td>
<td>1,172</td>
<td>1,957</td>
</tr>
<tr>
<td>EV / EBITDA (Annualised)</td>
<td>Times</td>
<td>6.97</td>
<td>9.75</td>
</tr>
</tbody>
</table>

1. Average exchange rates used for Rupee conversion to US$ is (a) Rs 47.63 for the financial year ended March 31, 2010 (b) Rs 45.60 for the financial year ended March 31, 2011, (c) Rs 47.84 for the financial year ended March 31, 2012 (d) Rs 45.87 for the quarter ended December 31, 2011 (e) Rs 50.63 for the quarter ended March 31, 2012 (g) Rs 54.00 for the quarter ended June 30, 2012 (h) Rs 55.19 for the quarter ended September 30, 2012 based on the RBI Reference rate.
2. Closing exchange rates used for Rupee conversion to US$ is (a) Rs 45.14 for the financial year ended March 31, 2010 (b) Rs 44.65 for the financial year ended March 31, 2011 (c) Rs 51.16 for the quarter and financial year ended March 31, 2012 (d) Rs 48.98 for the quarter ended September 30, 2011 (e) Rs 52.27 for the quarter ended December 31, 2011 (f) Rs 56.31 for the quarter ended June 30, 2012 (g) Rs 52.70 for the quarter ended September 30, 2012 (h) Rs 55.19 for the quarter ended December 31, 2011
3. Total employees include proportionate consolidation of 42% of Indus Towers Employees.
4. Key Ratios computed using translated US$ values may yield different results in comparison with ratios computed using Rupee values.
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 262.6 million customers as of September 30, 2012.

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 and its joint venture entity.

2.2 Business Divisions

2.2.1 India & South Asia

The operations of Bharti Airtel in India and South Asia are 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 & South Asia): We offer mobile services using GSM technology in South East Asia across India, Sri Lanka and Bangladesh, serving a total of 193 million customers in these geographies.

In India, we have 185.9 million mobile customers as on September 30, 2012, 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 457,053 non-census towns and villages in India, covering approximately 86.6% 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 5.4 million active 3G customers of which 4.0 million are active 3G data customers as on September 30, 2012.

Our Airtel Money provides mobile wallet service, offering money transfer between its own mobile wallets and bank accounts including person to person money transfer capability.

Our 4G services currently launched in Kolkata, Bengaluru and Pune are based on TD-LTE technology and offer a wide range of services to our customers including rich content, superfast access to High Definition (HD) video streaming, multiple chatting, instant uploading of pictures etc.

Our national long distance infrastructure comprises of 162,457 Rkms of optical fibre, thereby providing a pan India reach.

Airtel Sri Lanka has 1.6 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 39,000 retailers.

Airtel Bangladesh has 5.6 million customers and offers mobile services across 64 districts of Bangladesh with a distribution network comprising of around 89,000 retailers across the country. The burgeoning economy of Bangladesh coupled with growing population coverage of nearly 72% presents a unique market opportunity for telecom services.

Telemedia Services – We provide broadband (DSL), data and telephone services (fixed line) in 87 cities with growing focus on various data solutions for the Small & Medium Business (SMB) segment. We have 3.3 million customers of which 1.4 million have subscribed to broadband / internet services, as on September 30, 2012.

Our product offerings in this segment include fixed-line telephones providing local, national and international long distance voice connectivity, broadband internet access through DSL, internet leased lines as well as MPLS (multiprotocol label switching) solutions. We remain strongly committed to our focus on the SMB segment by providing a range of telecom & software solutions and aim to achieve revenue leadership in this rapidly growing segment of the ICT market. The strategy of this business unit is to focus on cities with high revenue potential.

Digital TV Services – Airtel digital TV has 7.5 million customers on its Direct-To-Home (DTH) platform. We also offer High Definition (HD) Set Top Boxes and Digital TV Recorders with 3D capabilities delivering superior customer experience. We currently offer a total of 304 channels including 15 HD channels and 5 interactive services. We are the first Company in India which provides real integration of all the three screens viz. television, mobile and computer enabling our customers to record their favorite TV programs through mobile and web.

B2B Services:

Airtel Business – Airtel business offers wide portfolio of services that include voice, data, network integration, data center & managed services, enterprise mobile applications and digital media. It is India’s leading and most trusted provider of communication and ICT services to large Enterprise, Government, Small & Medium businesses and carrier customers.

Airtel business offers network infrastructure, integration & management with a combination of cutting edge global network infrastructure, technical skills and world-class services through a consultative approach. Our portfolio of MPLS and IP services helps our customers in keeping mission critical applications running and in managing the flow of information across the globe. Our data center & managed services include entire suite of managed hosting, storage, business continuity, data security & cloud services. Airtel business also offers digital media services, a centralized online media management and distribution platform akin to a media exchange linking all the content owners, production facilities and screens enabling them to store, forward, share & trade multi versions of produced content to multiple platforms across the globe.
Our Global services for both voice and data, with strategically located submarine cable systems across the world and satellite connectivity in hard to reach areas, provide our customers connectivity from anywhere to everywhere in the world. Our international infrastructure includes ownership of the i2i submarine cable system connecting Chennai and Mumbai to Singapore and Europe, and our investments in new cable systems such as Asia America Gateway (AAG), India Middle East & Western Europe (IMEW), Unity, EIG (Europe India Gateway) and East Africa Submarine System (EASSy) expanding our global network to over 225,000 Rkms, covering 50 countries across 5 Continents. We also have terrestrial express connectivity to neighboring countries including Nepal, Pakistan, Bhutan and China.

Tower Infrastructure Services (erstwhile Passive 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 September 30, 2012, Bharti Infratel owned and operated 34,220 towers in 11 telecommunications Circles while Indus operated 110,561 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 80,656 towers in India as of September 30, 2012.

2.2.2 Africa

Mobile Services – 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 continue to grow as the most loved brand and currently serve 58.7 million customers across these geographies. We offer wide range of services to our customers, which includes post-paid, pre-paid, roaming, One-Network, Airtel Money, internet services, content, media & entertainment and other non-voice services.

Innovation with focus on 3G data and m-Commerce continues to be the next growth frontier. We continue to focus on 3G through roll-out of new sites across markets to increase the user base. The Company is now offering 3G services in 11 countries namely; Ghana, Kenya, Nigeria, Tanzania, Zambia, Congo B, Sierra Leone, Malawi, Uganda, Rwanda and Madagascar. Our offerings under ‘Airtel Money’ brand allow our customers to enjoy the convenience of banking on their mobiles with new, secure & robust features and stable platforms. Three countries launched Airtel money this quarter; namely Burkina Faso, Madagascar & Nigeria taking the total number of countries to 15.

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, Karnataka and Maharashtra respectively.

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.

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. Infosys is our technology partner for the Airtel m-Commerce services in India and Comviva is for Africa. We have also launched cloud based services in partnership with HP and Microsoft.

We work with other renowned organizations such as Comviva, OnMobile, Acision, Yahoo, 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 and with Apple Inc for selling iPhone. We have also tied up Nokia, Blackberry and Apple to bring apps to our customers from their respective App stores.
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 28 - 30). Also, kindly refer to Section 7.4 - use of Non-GAAP financial information (page 34) and Glossary (page 48) for detailed definitions.

3.1 Consolidated - Summary of Consolidated Financial Statements

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>202,732</td>
<td>172,698</td>
</tr>
<tr>
<td>EBITDA</td>
<td>63,508</td>
<td>58,151</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>31.3%</td>
<td>33.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>24,948</td>
<td>26,312</td>
</tr>
<tr>
<td>Finance cost (net)</td>
<td>10,219</td>
<td>11,186</td>
</tr>
<tr>
<td>Profit / (Loss) before Tax</td>
<td>14,729</td>
<td>15,126</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>7,714</td>
<td>4,900</td>
</tr>
<tr>
<td>Net income / (loss)</td>
<td>7,212</td>
<td>10,270</td>
</tr>
<tr>
<td>Capex</td>
<td>40,549</td>
<td>47,287</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>22,959</td>
<td>10,864</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>1,877,197</td>
<td>1,700,728</td>
</tr>
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</table>

Note 5: During the quarter ended September 30, 2012, the Group has recognized additional tax charge on account of Dividend Distribution Tax relating to the dividend received from Indus Towers Ltd for which no tax credit is available to the Group. As a result, tax expenses for the quarter are higher by Rs 657 Mn and the net income is lower by Rs 566 Mn.

3.1.2 Consolidated Summarized Statement of Financial Position

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at Sep 30, 2012</th>
<th>As at Mar 31, 2012</th>
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<tbody>
<tr>
<td><strong>Assets</strong></td>
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</tr>
<tr>
<td>Non-current assets</td>
<td>1,459,416</td>
<td>1,422,532</td>
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<tr>
<td>Current assets</td>
<td>160,148</td>
<td>148,084</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>1,619,564</td>
<td>1,570,616</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>619,961</td>
<td>547,935</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>479,781</td>
<td>488,873</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,099,742</td>
<td>1,036,808</td>
</tr>
<tr>
<td><strong>Equity &amp; Minority Interest</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>493,070</td>
<td>506,113</td>
</tr>
<tr>
<td>Non-Controlling Interest</td>
<td>26,752</td>
<td>27,695</td>
</tr>
<tr>
<td><strong>Total Equity &amp; Minority Interest</strong></td>
<td>519,822</td>
<td>533,808</td>
</tr>
<tr>
<td><strong>Total Equity and liabilities</strong></td>
<td>1,619,564</td>
<td>1,570,616</td>
</tr>
</tbody>
</table>
### 3.2 Region wise - Summary of Consolidated Financial Statements

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended Sep 2012</th>
<th>Quarter Ended Sep 2011</th>
<th>Half Year Ended Sep 2012</th>
<th>Half Year Ended Sep 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>India &amp; SA</td>
<td>Africa</td>
<td>Total</td>
<td>India &amp; SA</td>
</tr>
<tr>
<td>Total revenues</td>
<td>144,187</td>
<td>60,512</td>
<td>202,732</td>
<td>126,790</td>
</tr>
<tr>
<td>EBITDA</td>
<td>47,097</td>
<td>16,413</td>
<td>63,508</td>
<td>45,728</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>32.7%</td>
<td>27.1%</td>
<td>31.3%</td>
<td>36.1%</td>
</tr>
<tr>
<td>EBIT</td>
<td>20,552</td>
<td>4,397</td>
<td>24,948</td>
<td>22,524</td>
</tr>
<tr>
<td>Net income / (loss)</td>
<td>12,601</td>
<td>(5,388)</td>
<td>7,212</td>
<td>14,519</td>
</tr>
<tr>
<td>Capex</td>
<td>28,957</td>
<td>11,592</td>
<td>40,549</td>
<td>20,625</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>18,140</td>
<td>4,821</td>
<td>22,959</td>
<td>25,103</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>1,177,660</td>
<td>699,537</td>
<td>1,877,197</td>
<td>1,070,126</td>
</tr>
</tbody>
</table>

#### 3.2.2 Region wise Summarized Statement of Financial Position

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at Sep 30, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>India &amp; SA</td>
</tr>
<tr>
<td>Assets</td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td>930,210</td>
</tr>
<tr>
<td>Current assets</td>
<td>126,548</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,056,758</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>172,294</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>285,031</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>457,325</td>
</tr>
<tr>
<td>Equity &amp; Minority Interest</td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>571,519</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>27,914</td>
</tr>
<tr>
<td>Total Equity &amp; Minority Interest</td>
<td>599,433</td>
</tr>
<tr>
<td>Total Equity and liabilities</td>
<td>1,056,758</td>
</tr>
</tbody>
</table>
### 3.3 Segment wise Summarized Statement of Operations

#### INDIA & SOUTH ASIA

#### B2C Services

#### 3.3.1 Mobile Services (India & South Asia) – comprises of Consolidated Statement of Operations of Mobile Services India & South Asia.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>111,170</td>
<td>97,827</td>
</tr>
<tr>
<td>EBITDA</td>
<td>34,437</td>
<td>32,926</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>31.0%</td>
<td>33.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>18,438</td>
<td>19,775</td>
</tr>
<tr>
<td>Capex</td>
<td>17,345</td>
<td>12,011</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>17,092</td>
<td>20,914</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>747,459</td>
<td>665,785</td>
</tr>
</tbody>
</table>

Note: Effective quarter ended Jun’12, Cumulative investments include investments in 4G earlier reported under Telemedia services. Previous quarters have been restated accordingly.

#### 3.3.2 Telemedia Services

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>9,529</td>
<td>9,528</td>
</tr>
<tr>
<td>EBITDA</td>
<td>4,039</td>
<td>4,213</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>42.4%</td>
<td>44.2%</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,803</td>
<td>2,126</td>
</tr>
<tr>
<td>Capex</td>
<td>1,492</td>
<td>1,348</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>2,547</td>
<td>2,865</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>96,817</td>
<td>90,336</td>
</tr>
</tbody>
</table>

Note: Effective quarter ended Jun’12, Cumulative investments in 4G earlier reported under Telemedia services have now been reported under Mobile services (India & South Asia). Previous quarters have been restated accordingly.

#### 3.3.3 Digital TV Services

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>3,937</td>
<td>3,135</td>
</tr>
<tr>
<td>EBITDA</td>
<td>33</td>
<td>116</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>0.8%</td>
<td>3.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>(2,228)</td>
<td>(1,806)</td>
</tr>
<tr>
<td>Capex</td>
<td>1,630</td>
<td>2,610</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>(1,597)</td>
<td>(2,494)</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>37,876</td>
<td>31,522</td>
</tr>
</tbody>
</table>

Note: Effective quarter ended Jun’12, Cumulative investments in 4G earlier reported under Telemedia services have now been reported under Mobile services (India & South Asia). Previous quarters have been restated accordingly.
### B2B Services

#### 3.3.4 Airtel Business

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>13,934</td>
<td>11,042</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,148</td>
<td>2,371</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>15.4%</td>
<td>21.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>770</td>
<td>1,051</td>
</tr>
<tr>
<td>Capex</td>
<td>458</td>
<td>116</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>1,690</td>
<td>2,255</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>42,268</td>
<td>43,676</td>
</tr>
</tbody>
</table>

#### 3.3.5 Tower Infrastructure Services

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>25,567</td>
<td>23,766</td>
</tr>
<tr>
<td>EBITDA</td>
<td>9,577</td>
<td>8,902</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>37.5%</td>
<td>37.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>4,090</td>
<td>3,520</td>
</tr>
<tr>
<td>Capex</td>
<td>5,679</td>
<td>3,743</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>3,898</td>
<td>5,159</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>243,664</td>
<td>229,486</td>
</tr>
</tbody>
</table>

#### Others

#### 3.3.6 Others (India & South Asia)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>946</td>
<td>859</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(2,249)</td>
<td>(1,969)</td>
</tr>
<tr>
<td>EBIT</td>
<td>(2,336)</td>
<td>(2,118)</td>
</tr>
<tr>
<td>Capex</td>
<td>2,353</td>
<td>787</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>(4,602)</td>
<td>(2,756)</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>9,576</td>
<td>9,322</td>
</tr>
</tbody>
</table>

Includes corporate office and other support units.
AFRICA

3.3.7 Consolidated Africa – comprises of 17 country operations in Africa.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-12</td>
<td>Sep-11</td>
</tr>
<tr>
<td>Total revenues</td>
<td>1,097</td>
<td>1,030</td>
</tr>
<tr>
<td>EBITDA</td>
<td>298</td>
<td>270</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>27.2%</td>
<td>26.2%</td>
</tr>
<tr>
<td>EBIT</td>
<td>80</td>
<td>81</td>
</tr>
<tr>
<td>Capex</td>
<td>210</td>
<td>575</td>
</tr>
<tr>
<td>Operating Free Cash Flow (EBITDA - Capex)</td>
<td>88</td>
<td>(305)</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>13,274</td>
<td>12,889</td>
</tr>
</tbody>
</table>

*Note 8: Africa financials reported above are in their functional currency i.e., US$.*

*Note 9: In constant currency terms, reported revenues of $ 1,097 Mn for the quarter ended Sep’12 against $ 970 Mn in the same quarter last year, represents a growth of 13.0%.*
### 3.4 Region wise & Segment wise Investment & Contribution

#### 3.4.1 India and South Asia

<table>
<thead>
<tr>
<th>Segment</th>
<th>Quarter Ended Sep 2012</th>
<th>Amount in Rs mn, except ratios</th>
<th>As at Sep 30, 2012</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenue</td>
<td>% of Total</td>
<td>EBITDA</td>
<td>% of Total</td>
</tr>
<tr>
<td>Mobile Services</td>
<td>111,170</td>
<td>77%</td>
<td>34,437</td>
<td>73%</td>
</tr>
<tr>
<td>Telemedia Services</td>
<td>9,529</td>
<td>7%</td>
<td>4,039</td>
<td>9%</td>
</tr>
<tr>
<td>Digital TV Services</td>
<td>3,937</td>
<td>3%</td>
<td>33</td>
<td>0%</td>
</tr>
<tr>
<td>Airtel Business</td>
<td>13,934</td>
<td>10%</td>
<td>2,148</td>
<td>5%</td>
</tr>
<tr>
<td>Tower Infrastructure Services</td>
<td>25,567</td>
<td>18%</td>
<td>9,577</td>
<td>20%</td>
</tr>
<tr>
<td>Others</td>
<td>946</td>
<td>1%</td>
<td>(2,249)</td>
<td>-5%</td>
</tr>
<tr>
<td>Sub Total</td>
<td>165,083</td>
<td>114%</td>
<td>47,985</td>
<td>102%</td>
</tr>
<tr>
<td>Eliminations</td>
<td>(20,896)</td>
<td>-14%</td>
<td>(888)</td>
<td>-2%</td>
</tr>
<tr>
<td>Accumulated Depreciation And Amortization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total (India &amp; SA)</td>
<td>144,187</td>
<td>100%</td>
<td>47,097</td>
<td>100%</td>
</tr>
<tr>
<td>Consolidated</td>
<td>202,732</td>
<td></td>
<td>63,508</td>
<td></td>
</tr>
<tr>
<td>% of Consolidated</td>
<td>71%</td>
<td></td>
<td>74%</td>
<td></td>
</tr>
</tbody>
</table>

**Note 10:** Cumulative Investments includes National optic fibre network.
### 3.4.2 Africa

**Quarter Ended Sep 2012**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue</th>
<th>% of Total</th>
<th>EBITDA</th>
<th>% of Total</th>
<th>Capex</th>
<th>% of Total</th>
<th>Cumulative Investments</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Africa</td>
<td>1,097</td>
<td>100%</td>
<td>298</td>
<td>100%</td>
<td>210</td>
<td>100%</td>
<td>13,274</td>
<td>100%</td>
</tr>
<tr>
<td>Accumulated Depreciation And Amortization</td>
<td>(1,527)</td>
<td>100%</td>
<td>26%</td>
<td>100%</td>
<td>29%</td>
<td>100%</td>
<td>11,747</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total (Africa)</strong></td>
<td><strong>1,097</strong></td>
<td><strong>100%</strong></td>
<td><strong>298</strong></td>
<td><strong>100%</strong></td>
<td><strong>210</strong></td>
<td><strong>100%</strong></td>
<td><strong>11,747</strong></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td><strong>% of Consolidated</strong></td>
<td><strong>29%</strong></td>
<td><strong>100%</strong></td>
<td><strong>26%</strong></td>
<td><strong>100%</strong></td>
<td><strong>29%</strong></td>
<td><strong>100%</strong></td>
<td><strong>37%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Half Year Ended Sep 2012**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue</th>
<th>% of Total</th>
<th>EBITDA</th>
<th>% of Total</th>
<th>Capex</th>
<th>% of Total</th>
<th>Cumulative Investments</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Africa</td>
<td>2,163</td>
<td>100%</td>
<td>573</td>
<td>100%</td>
<td>330</td>
<td>100%</td>
<td>13,274</td>
<td>100%</td>
</tr>
<tr>
<td>Accumulated Depreciation And Amortization</td>
<td>(1,527)</td>
<td>100%</td>
<td>26%</td>
<td>100%</td>
<td>24%</td>
<td>100%</td>
<td>11,747</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total (Africa)</strong></td>
<td><strong>2,163</strong></td>
<td><strong>100%</strong></td>
<td><strong>573</strong></td>
<td><strong>100%</strong></td>
<td><strong>330</strong></td>
<td><strong>100%</strong></td>
<td><strong>11,747</strong></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td><strong>% of Consolidated</strong></td>
<td><strong>29%</strong></td>
<td><strong>100%</strong></td>
<td><strong>26%</strong></td>
<td><strong>100%</strong></td>
<td><strong>24%</strong></td>
<td><strong>100%</strong></td>
<td><strong>37%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Services</td>
<td>000's</td>
<td>251,825</td>
<td>250,038</td>
<td>1%</td>
<td>227,044</td>
<td>11%</td>
</tr>
<tr>
<td>India &amp; South Asia</td>
<td>000's</td>
<td>193,158</td>
<td>194,183</td>
<td>-1%</td>
<td>178,606</td>
<td>8%</td>
</tr>
<tr>
<td>Africa</td>
<td>000's</td>
<td>58,667</td>
<td>55,855</td>
<td>5%</td>
<td>48,437</td>
<td>21%</td>
</tr>
<tr>
<td>Telemmedia Services</td>
<td>000's</td>
<td>3,275</td>
<td>3,272</td>
<td>0%</td>
<td>3,328</td>
<td>-2%</td>
</tr>
<tr>
<td>Digital TV Services</td>
<td>000's</td>
<td>7,455</td>
<td>7,400</td>
<td>1%</td>
<td>6,614</td>
<td>13%</td>
</tr>
<tr>
<td>Total</td>
<td>000's</td>
<td>262,555</td>
<td>260,710</td>
<td>1%</td>
<td>236,986</td>
<td>11%</td>
</tr>
<tr>
<td>Non Voice Revenue as a % of Total Revenues</td>
<td>%</td>
<td>27.2%</td>
<td>26.6%</td>
<td></td>
<td>26.5%</td>
<td></td>
</tr>
</tbody>
</table>

Note 1: Effective quarter ended Jun’12, Non Voice revenue includes revenue from non-telecom (refer glossary for definition). Previous quarters’ have been restated accordingly. Also, refer to note 12.

4.2 Traffic Details – Consolidated

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Services</td>
<td>Mn Min</td>
<td>266,780</td>
<td>267,511</td>
<td>0%</td>
<td>242,683</td>
<td>10%</td>
</tr>
<tr>
<td>India &amp; South Asia</td>
<td>Mn Min</td>
<td>243,134</td>
<td>247,860</td>
<td>-2%</td>
<td>224,734</td>
<td>8%</td>
</tr>
<tr>
<td>Africa</td>
<td>Mn Min</td>
<td>23,646</td>
<td>19,651</td>
<td>20%</td>
<td>17,950</td>
<td>32%</td>
</tr>
<tr>
<td>Telemmedia Services</td>
<td>Mn Min</td>
<td>4,156</td>
<td>4,162</td>
<td>0%</td>
<td>4,598</td>
<td>-10%</td>
</tr>
<tr>
<td>National Long Distance Services</td>
<td>Mn Min</td>
<td>22,997</td>
<td>22,241</td>
<td>3%</td>
<td>20,305</td>
<td>13%</td>
</tr>
<tr>
<td>International Long Distance Services</td>
<td>Mn Min</td>
<td>4,340</td>
<td>3,362</td>
<td>29%</td>
<td>3,519</td>
<td>23%</td>
</tr>
<tr>
<td>Total Minutes on Network (Gross)</td>
<td>Mn Min</td>
<td>298,273</td>
<td>297,276</td>
<td>0%</td>
<td>271,106</td>
<td>10%</td>
</tr>
<tr>
<td>Eliminations</td>
<td>Mn Min</td>
<td>(23,453)</td>
<td>(22,660)</td>
<td>4%</td>
<td>(20,660)</td>
<td>14%</td>
</tr>
<tr>
<td>Total Minutes on Network (Net)</td>
<td>Mn Min</td>
<td>274,820</td>
<td>274,616</td>
<td>0%</td>
<td>250,446</td>
<td>10%</td>
</tr>
</tbody>
</table>
### Mobile Services India

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Customer Base</td>
<td>000's</td>
<td>185,922</td>
<td>187,302</td>
<td>-1%</td>
<td>172,783</td>
<td>8%</td>
</tr>
<tr>
<td>VLR</td>
<td>%</td>
<td>91.5%</td>
<td>90.8%</td>
<td>88.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Additions</td>
<td>000's</td>
<td>(1,380)</td>
<td>6,023</td>
<td>-123%</td>
<td>3,595</td>
<td>-138%</td>
</tr>
<tr>
<td>Pre-Paid (as % of total Customer Base)</td>
<td>%</td>
<td>96.0%</td>
<td>96.2%</td>
<td>96.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly Churn</td>
<td>%</td>
<td>8.5%</td>
<td>8.8%</td>
<td>7.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>177</td>
<td>185</td>
<td>-4%</td>
<td>183</td>
<td>-3%</td>
</tr>
<tr>
<td>Total Revenue / Minutes on Network</td>
<td>paisa</td>
<td>42.6</td>
<td>42.7</td>
<td>0%</td>
<td>43.2</td>
<td>-1%</td>
</tr>
<tr>
<td>Revenue per site per month</td>
<td>Rs</td>
<td>260,380</td>
<td>275,647</td>
<td>-6%</td>
<td>266,165</td>
<td>-2%</td>
</tr>
</tbody>
</table>

**Voice**

- Minutes on the network | Mn | 234,224 | 239,338 | -2% | 217,408 | 8% |
- Voice Average Revenue Per User (ARPU) | Rs | 148 | 154 | -4% | 153 | -4% |
- Voice Usage per customer | min | 417 | 433 | -4% | 423 | -2% |
- Voice Realization per minute | paisa | 35.4 | 35.7 | -1% | 36.2 | -2% |

**Non Voice Revenue**

- % of Mobile revenues | % | 16.8% | 16.3% | 16.1% | |

**Of Which**

- Messaging & VAS as % of Mobile revenues | % | 10.1% | 10.8% | 12.2% | |
- Data as % of Mobile revenues | % | 5.2% | 4.3% | 3.1% | |
- Others as % of Mobile revenues | % | 1.5% | 1.2% | 0.8% | |

**Data**

- Data Customer Base | 000's | 40,600 | 38,660 | 5% | NA | NA |
- Of which no. of 3G data customers | 000's | 4,014 | 3,713 | 8% | NA | NA |
- As % of Customer Base | % | 21.8% | 20.6% | NA | |
- Total MBs on the network | Mn MBs | 15,879 | 12,566 | 26% | NA | NA |
- Data Average Revenue Per User (ARPU) | Rs | 43 | 40 | 9% | NA | NA |
- Data Usage per customer | MBs | 133 | 112 | 19% | NA | NA |
- Data Realization per MB | paisa | 32.4 | 35.3 | -8% | NA | NA |

**Note 12:** In the quarter ended Sep 30, 2012, the Group was awarded a favourable order by TDSAT in respect of an outstanding dispute pertaining to inter-connect agreements, for which accounting has been recognized, and for which KPI parameters reflect only the proportion applicable to the quarter ended Sep 30, 2012 with no prior period adjustments.

### Telemedia Services

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Telemedia Customers</td>
<td>000's</td>
<td>3,275</td>
<td>3,272</td>
<td>0%</td>
<td>3,328</td>
<td>-2%</td>
</tr>
<tr>
<td>Of which no. of broadband (DSL) customers</td>
<td>000's</td>
<td>1,380</td>
<td>1,371</td>
<td>1%</td>
<td>1,398</td>
<td>-1%</td>
</tr>
<tr>
<td>As % of Customer Base</td>
<td>%</td>
<td>42.1%</td>
<td>41.9%</td>
<td>NA</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Net additions</td>
<td>000's</td>
<td>3</td>
<td>2</td>
<td>32%</td>
<td>7</td>
<td>-60%</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>971</td>
<td>962</td>
<td>1%</td>
<td>955</td>
<td>2%</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>17.6</td>
<td>17.8</td>
<td>-1%</td>
<td>20.9</td>
<td>-16%</td>
</tr>
<tr>
<td>Non Voice Revenue as % of Telemedia revenues</td>
<td>%</td>
<td>55.4%</td>
<td>54.3%</td>
<td>2%</td>
<td>52.1%</td>
<td>6%</td>
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</table>

### Digital TV Services

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</tr>
</thead>
<tbody>
<tr>
<td>Digital TV Customers</td>
<td>000's</td>
<td>7,455</td>
<td>7,400</td>
<td>1%</td>
<td>6,614</td>
<td>13%</td>
</tr>
<tr>
<td>Net additions</td>
<td>000's</td>
<td>55</td>
<td>172</td>
<td>-68%</td>
<td>352</td>
<td>-84%</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>177</td>
<td>166</td>
<td>6%</td>
<td>161</td>
<td>10%</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>3.2</td>
<td>3.1</td>
<td>4%</td>
<td>3.5</td>
<td>-9%</td>
</tr>
<tr>
<td>Monthly Churn</td>
<td>%</td>
<td>1.9%</td>
<td>1.7%</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
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</tbody>
</table>
4.6 Network and Coverage - India

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<tr>
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</thead>
<tbody>
<tr>
<td>Mobile Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Census Towns</td>
<td>Nos</td>
<td>5,121</td>
<td>5,121</td>
<td>-</td>
<td>5,115</td>
<td>6</td>
</tr>
<tr>
<td>Non-Census Towns and Villages</td>
<td>Nos</td>
<td>457,053</td>
<td>455,575</td>
<td>1,478</td>
<td>453,148</td>
<td>3,905</td>
</tr>
<tr>
<td>Population Coverage</td>
<td>%</td>
<td>86.6%</td>
<td>86.5%</td>
<td>-</td>
<td>86.3%</td>
<td></td>
</tr>
<tr>
<td>Optic Fibre Network</td>
<td>Rs Kms</td>
<td>162,457</td>
<td>159,762</td>
<td>2,695</td>
<td>151,719</td>
<td>10,738</td>
</tr>
<tr>
<td>Sites on Network</td>
<td>Nos</td>
<td>129,411</td>
<td>126,010</td>
<td>3,401</td>
<td>118,011</td>
<td>11,400</td>
</tr>
<tr>
<td>Of which no. of 3G sites</td>
<td>Nos</td>
<td>20,333</td>
<td>18,012</td>
<td>2,321</td>
<td>12,979</td>
<td>7,354</td>
</tr>
<tr>
<td>Telemadia Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cities Covered</td>
<td>Nos</td>
<td>87</td>
<td>87</td>
<td>-</td>
<td>87</td>
<td>-</td>
</tr>
<tr>
<td>Airtel Business</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submarine cable systems</td>
<td>Nos</td>
<td>7</td>
<td>7</td>
<td>-</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Digital TV Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Districts Covered</td>
<td>Nos</td>
<td>632</td>
<td>616</td>
<td>16</td>
<td>582</td>
<td>50</td>
</tr>
<tr>
<td>Coverage</td>
<td>%</td>
<td>99%</td>
<td>96%</td>
<td>91%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.7 Tower Infrastructure Services *16

4.7.1 Bharti Infratel Consolidated

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total Towers</td>
<td>Nos</td>
<td>80,656</td>
<td>79,452</td>
<td>1,203</td>
<td>78,859</td>
<td>1,797</td>
</tr>
<tr>
<td>Total Co-locations</td>
<td>Nos</td>
<td>154,296</td>
<td>151,458</td>
<td>2,837</td>
<td>146,548</td>
<td>7,748</td>
</tr>
<tr>
<td>Key Indicators</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing Revenue per sharing operator per month</td>
<td>Rs</td>
<td>34,449</td>
<td>33,388</td>
<td>3%</td>
<td>34,576</td>
<td>0%</td>
</tr>
<tr>
<td>Average Sharing Factor</td>
<td>Times</td>
<td>1.91</td>
<td>1.90</td>
<td>1.85</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 13: Represents the sum of the number of towers (and the co-locations thereof) owned and operated by Bharti Infratel (as set forth in table 4.7.2) and 42% of the number of towers (and the co-locations thereof) owned and operated by Indus and includes the towers (and the co-locations thereof) operated by Indus pursuant to the Indefeasible Right to use agreements.

4.7.2 Bharti Infratel Standalone

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total Towers</td>
<td>Nos</td>
<td>34,220</td>
<td>33,446</td>
<td>774</td>
<td>32,993</td>
<td>1,227</td>
</tr>
<tr>
<td>Total Co-locations</td>
<td>Nos</td>
<td>62,027</td>
<td>60,714</td>
<td>1,313</td>
<td>59,366</td>
<td>2,661</td>
</tr>
<tr>
<td>Key Indicators</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing Revenue per sharing operator per month</td>
<td>Rs</td>
<td>36,839</td>
<td>36,170</td>
<td>2%</td>
<td>36,293</td>
<td>2%</td>
</tr>
<tr>
<td>Average Sharing Factor</td>
<td>Times</td>
<td>1.81</td>
<td>1.82</td>
<td>1.79</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 14: Represents Total Towers (and the co-locations thereof) owned and operated by Bharti Infratel and excludes the towers (and the co-locations thereof) operated by Indus pursuant to the Indefeasible Right to use agreements.

4.7.3 Indus Towers

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total Towers</td>
<td>Nos</td>
<td>110,561</td>
<td>109,539</td>
<td>1,022</td>
<td>109,204</td>
<td>1,357</td>
</tr>
<tr>
<td>Total Co-locations</td>
<td>Nos</td>
<td>219,687</td>
<td>216,058</td>
<td>3,629</td>
<td>207,575</td>
<td>12,112</td>
</tr>
<tr>
<td>Key Indicators</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing Revenue per sharing operator per month</td>
<td>Rs</td>
<td>31,711</td>
<td>29,777</td>
<td>6%</td>
<td>31,117</td>
<td>2%</td>
</tr>
<tr>
<td>Average Sharing Factor</td>
<td>Times</td>
<td>1.98</td>
<td>1.96</td>
<td>1.89</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 15: Represents Total towers (and the co-locations thereof) owned and operated by Indus and includes the towers (and the co-locations thereof) operated by Indus pursuant to the Indefeasible Right to use agreements.

Note 16: During the quarter ended Sep 30, 2012, the Company has changed the nomenclature and definitions of Tower infrastructure operational & financial performance indicators to reflect the globally used tower companies' terminologies. The revised definitions are enclosed as part of Glossary and wherever necessary the previous quarter figures have been restated accordingly so as to conform to the revised definitions.
### 4.8 Human Resource Analysis – India

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Employees¹⁷</td>
<td>Nos</td>
<td>15,579</td>
<td>15,256</td>
<td>323</td>
<td>15,611</td>
<td>(32)</td>
</tr>
<tr>
<td>Number of Customers per employee</td>
<td>Nos</td>
<td>12,623</td>
<td>12,977</td>
<td>(354)</td>
<td>11,705</td>
<td>918</td>
</tr>
<tr>
<td>Personnel cost per employee per month</td>
<td>Rs</td>
<td>118,425</td>
<td>118,119</td>
<td>0%</td>
<td>116,451</td>
<td>2%</td>
</tr>
<tr>
<td>Gross Revenue per employee per month¹⁷</td>
<td>Rs</td>
<td>2,896,814</td>
<td>2,935,716</td>
<td>-1%</td>
<td>2,661,360</td>
<td>9%</td>
</tr>
</tbody>
</table>

Note 17: Total Employees include proportionate consolidation of 42% Indus towers employees. Also refer to note 12.

### 4.9 Operational Performance - Africa

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</tr>
</thead>
<tbody>
<tr>
<td>Customer Base</td>
<td>000's</td>
<td>58,667</td>
<td>55,855</td>
<td>5%</td>
<td>48,437</td>
<td>21%</td>
</tr>
<tr>
<td>VLR</td>
<td>%</td>
<td>85.8%</td>
<td>85.3%</td>
<td>87.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Additions</td>
<td>000's</td>
<td>2,812</td>
<td>2,715</td>
<td>4%</td>
<td>2,131</td>
<td>32%</td>
</tr>
<tr>
<td>Pre-Paid (as % of total Customer Base)</td>
<td>%</td>
<td>99.3%</td>
<td>99.3%</td>
<td>99.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly Churn</td>
<td>%</td>
<td>5.1%</td>
<td>5.1%</td>
<td>6.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>6.4</td>
<td>6.5</td>
<td>-2%</td>
<td>7.3</td>
<td>-12%</td>
</tr>
<tr>
<td>Total Revenue / Minutes on Network</td>
<td>US¢</td>
<td>4.6</td>
<td>5.4</td>
<td>-15%</td>
<td>5.7</td>
<td>-19%</td>
</tr>
<tr>
<td>Revenue per site per month</td>
<td>US$</td>
<td>22,872</td>
<td>23,134</td>
<td>-1%</td>
<td>25,836</td>
<td>-11%</td>
</tr>
<tr>
<td><strong>Voice</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minutes on the network</td>
<td>Mn</td>
<td>23,646</td>
<td>19,651</td>
<td>20%</td>
<td>17,950</td>
<td>32%</td>
</tr>
<tr>
<td>Voice Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>5.5</td>
<td>5.7</td>
<td>-3%</td>
<td>6.5</td>
<td>-15%</td>
</tr>
<tr>
<td>Voice Usage per customer</td>
<td>min</td>
<td>138</td>
<td>120</td>
<td>14%</td>
<td>128</td>
<td>8%</td>
</tr>
<tr>
<td>Voice Realization per minute</td>
<td>US¢</td>
<td>4.0</td>
<td>4.7</td>
<td>-15%</td>
<td>5.1</td>
<td>-21%</td>
</tr>
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### 4.10 Network & Coverage - Africa

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</tr>
</thead>
<tbody>
<tr>
<td>Sites on Network</td>
<td>Nos</td>
<td>15,979</td>
<td>15,439</td>
<td>540</td>
<td>13,628</td>
<td>2,351</td>
</tr>
<tr>
<td>Of which no. of 3G sites</td>
<td>Nos</td>
<td>5,347</td>
<td>4,787</td>
<td>560</td>
<td>NA</td>
<td>NA</td>
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</tbody>
</table>

### 4.11 Human Resource Analysis - Africa

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<th></th>
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<tbody>
<tr>
<td>Total Employees</td>
<td>Nos</td>
<td>4,984</td>
<td>4,907</td>
<td>77</td>
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<td>Number of Customers per employee</td>
<td>Nos</td>
<td>11,771</td>
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<tr>
<td>Personnel cost per employee per month</td>
<td>US$</td>
<td>6,015</td>
<td>5,436</td>
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<tr>
<td>Gross Revenue per employee per month</td>
<td>US$</td>
<td>73,335</td>
<td>72,831</td>
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</tbody>
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Refer page 42 for KPI’s in constant currency.
5.1 India and South Asia

A. Key Industry Developments

1. TRAI direction on Providing Broadband Services

On July 27, 2012, TRAI issued a Direction for delivering broadband services in a transparent manner by providing adequate information to broadband consumers:

- Information about Data usage, speed limit and fair usage policy to be furnished on website and in all advertisements.

- Provide the above specified information to new subscribers at the time of enrolment and to existing customers through registered email ID and SMS on registered mobile numbers.

- Ensure that speed of Broadband connection is not reduced below 256 Kbps as specified in QoS Regulation, 2006.

- Provide alert to the customer at the time of login to the network of the service provider when the data usage reaches 80% of the data usage limit bundled with the plan and to ensure that such alert shall be provided at each login after data usage crosses the said limit.

- Send alert to the customer either through SMS on the mobile number registered with the service provider or to the registered email, each time when the data usage by the customer reaches 80% and 100% of the data usage limit bundled with plan opted by the customer, or through USSD at each login by the customer.

2. DoT Instructions on verification of new mobile subscribers (prepaid and postpaid)

DoT has issued revised instructions on Aug 09, 2012, which will be effective from Nov 10, 2012. Some of the salient new features are as under:

- Tele-verification of all new customers – incoming and outgoing will be barred till tele-verification, except calls to operator.

- Activation only after completion of documentary requirements and updation in database. Employee of the Company has to certify and sign to this effect.

- No bulk connection for individuals (more than 9).

- Existing bulk connections shall be made compliant to these instructions.

- Penalty of Rs 50,000 for pre-activated SIMs.

- Missing forms in the audit will be treated as pre-activated connections.

3. TRAI direction on Wangiri calls

On Sep 7, 2012 TRAI directed all service providers regarding menace of missed calls (Wangiri calls) as below:

- No ISD facility is activated on pre-paid SIM without the explicit consent of the consumer.

- Inform all pre-paid subscribers having ISD facility, through SMS, within ten days of the date of issue of this direction, that ISD facility of the subscribers shall be discontinued after sixty days. If any such subscriber wants to continue with ISD facility, they should give their explicit consent for availing such facility within sixty days of the receipt of the SMS.

- Inform through SMS, within ten days of the date of the issue of this direction, all pre-paid cellular mobile telephone service consumers not to respond to missed calls from unknown international numbers with prefix other than “+91”.

- Provide easy and transparent opt-in and opt-out facility to the consumers of the cellular mobile telephone service for activation or deactivation of ISD facility.

4. TRAI direction on Blackout days

On Sep 14, 2012, TRAI issued a Direction prescribing the following additional measures in the matter of charging on blackout days:

- The charges for calls or SMSs on 'blackout' days shall not exceed the rate in the tariff plan in which the consumer is enrolled.

- Consumers shall be given intimation prior to start of every blackout day and the date/ occasion of the blackout day shall also be intimated.

- List of blackout days applicable for the calendar year shall be displayed on the website of service providers, before start of every calendar year and shall be published, service area wise, along with the tariff plans of the service provider, every six months.

5. TRAI Regulation on Intelligent Network Services in Multi Operator and Multi Network Scenario

TRAI on Sep 18, 2012 issued amendment to its regulation on Intelligent Network Services in Multi
Operator and Multi Network Scenario with key highlights as below:

- All service providers who are already providing IN based services or would start IN based services at later date will enter into an agreement with all the access providers within 90 days which can be extended to 180 days on SP request. Else TRAI would intervene & specify the interconnect arrangement between the operators.

- The amendment would be useful for virtual calling card (VCC) issued by long distance providers.

- After the agreements between the service providers, the subscribers will be able to make STD/ISD calls using calling cards issued by NLDOs/ILDOs.

6. TRAI’s Regulation on Port Charge

On Sep 18, 2012, TRAI issued the second amendment to the Port Charges Regulation and has prescribed the following ceilings on Port charges w.e.f Oct 1, 2012:

- Rs 4,000 per port per annum for MSC connectivity.
- Rs 10,000 per port per annum for TAX connectivity.

7. TRAI 52nd TTO prescribing financial disincentives

On Sep 19, 2012 TRAI issued Telecommunication Tariff (Fifty Second Amendment) Order (TTO) prescribing financial disincentives on the service providers in the following situations:

- Service Provider is required to report a tariff to the TRAI within 7 working days from the date of implementation / launch, failing which a financial disincentive of Rs 5000/ per day for delay in filing subject to maximum of Rs 2 lakh has been prescribed.

- It is mandatory to give a minimum notice period of 30 days to existing customers before terminating the tariff plan.

- Tariff Order provides for financial disincentives not exceeding the amount of excess charges levied, in addition to the refund made to affected subscribers.

8. TRAI Regulation on MNP - Financial disincentive

On Sep 19, 2012 TRAI issued the telecommunication Mobile Number Portability (Fourth Amendment) Regulation 2012 incorporating the provisions for levying financial disincentives on telecom service providers for contravention of MNP Regulations (Rejection of the porting request + timelines):

- Rs 5,000 would be levied in case of deviation from the specified timelines.
- Rs 10,000 would be levied where contravention is established in rejection of porting request by service provider.

9. DoT revised criteria for allocation of number series / MSC codes

On Sep 27, 2012 DoT has issued revised criteria for allocation of MSC codes. The new slabs have been introduced as follows:

- 0 - 15 Mn allotted codes - VLR utilization of 63%
- 15 - 20 Mn allotted codes - VLR utilization of 66%
- 20 - 25 Mn allotted codes - VLR utilization of 68%
- > 25 Mn allotted codes - VLR utilization of 70%

B. Key Company Developments

- Bharti Airtel becomes the fourth largest mobile operator in the world in terms of subscribers (Source: Wireless Intelligence 'Scoreboard').

- In August 2012, Bharti Airtel announced that it has crossed the 200 million customer mark in India.

- Bharti Airtel announced the launch of Airtel postpaid 4G services in Pune – thus becoming the first in Maharashtra to bring the 4G experience for its customers. Airtel Broadband TV and Games On-Demand have also been launched and are available for Airtel 4G customers on free trial offer.

- Airtel Bangladesh Limited announced its partnership with Dutch Bangla Bank to introduce m-Commerce Services for all airtel subscribers. This is going to offer multiple services like cash in, cash out, send money, mobile top up, remittance and salary disbursement etc.

- In continuation of its focus on the ‘friendship’ brand idea, Airtel launched its “Jo tera hai, woh mera hai” campaign depicting the preferences and behavioral pattern of today’s always online Indian youth.

- A host of brand activations were announced for 2012 Formula One Airtel Indian Grand Prix. These included the race partnership with MERCEDES AMG PETRONAS, showcase of this year’s trophy design and Airtel Grid Girls outfit, ‘Join Our Pit Crew’ contest and several other on-ground activations.

- Airtel Delhi Half Marathon 2012 was organized on 30th September 2012 and saw participation from some of the world’s best long distance running athletes and over 31,746 participants across India.

- As title sponsor of the tournament, Airtel unveiled the trophy for the India - New Zealand Test & T20 Cricket Series.

- Airtel announced the launch of Airtel Smart Drive for its customers – a unique application that gives customers access to voice guided navigation and live traffic updates.

- Airtel launched USSD-based self care facility for its Airtel Digital TV customers
• 'MyAirtel' application was launched for Airtel customers across India. The app, which is available for free, allows Airtel customers of various services (including mobile, fixed line and DTH) to check outstanding bills, recharge accounts, make payments, activate / deactivate services, raise requests and complaints etc. thereby enhancing the customer experience.

• Airtel announced USSD access to Facebook for its customers in Bangladesh.

• Bharti Airtel announced the launch of its Cloud Enablement Platform (CLEP) based on the HP Aggregation Platform for SaaS (AP4SaaS). The Company will offer hosted SaaS and IaaS applications to the small and large enterprises on a ‘pay as you go’ model - thereby helping them to meet the ever evolving business demands.

• Bharti Airtel announced its partnership with Microsoft to deliver Microsoft’s cloud based Office 365 business productivity solutions to Small and Medium Businesses by provisioning the service through its cloud platform. Microsoft office 365 suite packaged with Airtel internet products will address the growing ICT needs of SMB segment by addressing their connectivity and productivity requirements while allowing them to focus on their core business activities.

• Bharti Airtel was awarded the Porter Prize in the ‘Exploiting Trade-offs’ category. The Porter Prize Awards, named after renowned Professor Michael Porter, are the most coveted awards in the field of strategy and competitiveness. The award recognizes and honors Indian companies which have embraced the best strategic management practices.

• Airtel was conferred the prestigious, global Adam Smith Award 2012 for Highly Commended ‘Best in Class Benchmarking’ in recognition of its excellence in the area of treasury operations.

• The Airtel Centre of Excellence (ACE) has received the ‘Excellence Award for Shared Service Centre Operations in India’ by All India Management Association and Delhi Management Association in recognition of their outstanding efforts to identify key strategic drivers and implementing them to deliver value to all stakeholders.

5.2 Africa

A. Key Industry Developments

Burkina Faso

• 3G license
License terms and conditions have been agreed & signed and License fee has been paid.

• KYC
As per Regulator directive, no pre activated SIMs to be sold from 1st October 2012.

Congo DRC

• 3G License
The 3G license has been signed in July 2012 and the license fee has been paid.

Kenya

• LTE
Airtel has submitted its proposal to be a part of the Kenya Government’s initiative on future LTE license consortium.

• Interconnection
The Regulator had asked for a report on the effect of the previous reduction in Mobile Termination Rate (MTR) on the macro economy of Kenya. On the basis of this report and other consultations that have taken place, the Regulator is expected to take a decision on the reduction of MTR.

• Switching off counterfeit phones
As per the Government directive all the counterfeit phones needs to be switched off by 30th September. No extension to deadline has been granted.

Niger

• 3G License
Negotiations are ongoing with the Government to launch a national tender process to grant 3G licenses to existing operators.

Nigeria

• Interconnection Rate
The Regulator has appointed an external agency to conduct a study on the current regime of Interconnect rate.

• Critical National Infrastructure
Airtel and other operators made submissions to Regulator on the need to declare telecoms infrastructure as ‘Critical National Infrastructure’. Government is taking adequate steps to facilitate the declaration & security has been enhanced around key telecom infrastructure.

Rwanda

• Interconnect Rates
New regulations have been introduced on the International Gateway Traffic Verification System (IGTVS). Contract has been signed with GVG introducing higher international termination rates into the country.

Tanzania

• Taxes and fees
National Budget has increased excise duty from 10% to 12% and import duty relief on capital goods has been reduced to 90%.

• Interconnect rate review
The Regulator has appointed an external agency to conduct a study on the Interconnect rates. New rates are expected to be finalized by January 01, 2013.

Uganda

• Interconnect rates
Post the government sponsored study, new Interconnect rates have been announced which are lower as compare to the previous rates. The Company
is the process of signing off relevant agreement with other operators.

Zambia

- **KYC**
  Commencing August 29, 2012, all operators need to comply with the Know Your Customer (KYC) norms as stated by the Regulator.

### B. Key Company Developments

- **Airtel** has rolled out 3G services in Ghana, Sierra Leone, Kenya, Nigeria, Zambia, Tanzania, Congo B, Malawi, Uganda, Rwanda & Madagascar taking the total number of countries to 11. Airtel now has the largest network in comparison to competition which is in line with Company’s objective of being the largest 3G network across Africa.

- Airtel’s 3G services is ahead of competition in terms of quality with a focus on coverage, speed and affordability and all launches coincide with Video Calling, Airtel Live 2.0 and a new set of innovative tariff plans.

- Airtel Money was launched in 3 countries namely Burkina Faso, Madagascar & Nigeria bringing the total countries to 15.

- A pan African partnership with ‘Sanlam’ (one of the largest insurance companies on the continent) has been signed for distribution of insurance through Airtel Money.

- **Airtel Nigeria**, clinched three industry Awards at the prestigious 8th edition of the Telecoms Awards. Airtel beat other blue chip competitors to emerge the Industry’s Most Innovative Telecom Company of the Year, Telecom Brand of the year and Customer Friendly Operator of the year. Airtel was particularly commended for its ability to chart new paths in meeting the demands and needs of stakeholders through a superior brand experience, rich portfolio of innovative products and services, ranging from exciting voice solutions to inventive data packages and mobile broadband.

- Airtel continues to drive the iconic stature of the brand. Through its Airtel Rising Stars campaign, Airtel attracted 18,000 football teams and 324,000 young men and women across 15 countries in Africa. The culmination of the youth football tournament was flagged off by Kenya’s Prime Minister in Nairobi.

- Two soccer clinics were held in collaboration with Manchester United and Arsenal, with Arsenal hosting their first ever clinic in Africa through its partnership with Airtel.

- Airtel has rolled out numerous youth campaigns across countries like Nigeria, Zambia, Gabon, Kenya, Ghana, Niger etc to drive its brand equity among the youth.
5.3 Results of Operations

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

**Key Highlights - For the quarter ended September 30, 2012**

- Overall customer base at 262.6 million.
- Net addition of 1.84 million customers.
- Total Revenues of Rs 202.7 billion (up 17% Y-o-Y).
- EBITDA Rs 63.5 billion (up 9% Y-o-Y).
- Net Income of Rs 7.2 billion (down 30% Y-o-Y).
- Operating free cash flow of Rs 23.0 billion (up 111% Y-o-Y).

**Bharti Airtel Consolidated**

**Quarter ended September 30, 2012**

**Customer Base**
As on September 30, 2012, the Company had an aggregate of 262.6 million customers consisting of 251.8 million Mobile, 3.3 million Telemedia and 7.5 million Digital TV customers. Its total customer base as on September 30, 2012 increased by 11% compared to its customer base as on September 30, 2011. The voice mark (wireless customers) is an important milestone and has placed the Company as the fourth largest mobile operator in the world (Source: Wireless Intelligence ‘Scorecard’).

**Revenues/Turnover**
During the quarter ended September 30, 2012, the Company recorded revenues of Rs 202.732 billion, a growth of 17% compared to the quarter ended September 30, 2011, with Non-voice revenue contributing to approximately 27.2% of the total revenues for the quarter.

**Operating Expenses (excluding-revenue share license and spectrum fee)**
During the quarter ended September 30, 2012; the Company incurred an operating expenditure of Rs 93.327 billion representing 46.0% of the total revenues. The operating expense comprises of: Rs 46.297 billion towards network operations cost (22.8% of total revenues), Rs 35.732 billion towards selling, general & administrative cost (17.6% of total revenues), Rs 9.846 billion towards employee costs (4.9% of total revenues) and Rs 1.452 million towards cost of goods sold (0.7% of total revenues). Market correction in customer acquisition practices has enabled a reduction in selling, general & administrative costs in India & South Asia by Rs 1.049 million compared to the previous quarter ended June 30, 2012.

**EBITDA, EBIT & Finance Cost**
During the quarter ended September 30, 2012, the Company had an EBITDA of Rs 63.508 billion, a growth of 9% compared to the quarter ended September 30, 2011. The reported EBITDA margin for the quarter was 31.3%.

During the quarter ended September 30, 2012, the Company had depreciation and amortization expenses of Rs 38.560 million on the back of continued investments on network. The resultant EBIT for the quarter ended September 30, 2012 was Rs 24.948 million, a decline of 5% compared to quarter ended September 30, 2011.

The net finance cost for the quarter ended September 30, 2012 was Rs 10.219 million. During the quarter, the interest on borrowings & finance charges was Rs 11.644 million, derivatives & exchange fluctuation loss of Rs 250 million and the investment income (primarily related to income on marketable securities) was Rs 1.675 million.

**Profit / (Loss) Before Tax (PBT)**
The Profit / (Loss) before tax for the quarter was Rs 14,729 million, a decrease of 3%, as compared to the quarter ended September 30, 2011.

**Net income**
The net income for the quarter ended September 30, 2012 was Rs 7,212 million representing a Y-o-Y decline of 30%. The current tax for the quarter ended September 30, 2012 was Rs 7,466 million, deferred tax income was Rs 686 million, dividend distribution taxes were Rs 657 million and withholding taxes were Rs 278 million. The effective tax rate for India & South Asia for the half year ended September 30, 2012 was 27.7% (26.0% excluding dividend distribution tax).

During the quarter ended September 30, 2012, the Group was awarded a favorable order by the TDSAT in respect of an outstanding dispute pertaining to inter- connect agreements. The Group, based on the TDSAT judgment and independent legal opinion, has recognized revenues of Rs 5,861 Mn, resulting in higher PBT and net income of Rs 3,448 million and Rs 2,386 million respectively in the current quarter, relating to previous periods.

**Statement of Financial Position**
The Company had total assets of Rs 1,619,564 million and total liabilities of Rs 1,099,742 million, as on September 30, 2012. The difference of Rs 519,822 million was on account of Equity attributable to equity holders of parent and non- controlling interest. Equity movement during the quarter ended September 30, 2012 includes changes in foreign currency translation reserve (FCTR) of Rs 4,171 million arising from appreciation of the Rupee and the movements of various functional currencies of overseas operations, on net basis.

The Company had a net debt of Rs 667,600 million (US$ 12,669 million) as on September 30, 2012, resulting in a Net Debt (in US $) to EBITDA (LTM in US $) of 2.72. This includes Rs 23,719 million, representing 49% of the net debt of the Qualcomm subsidiaries, into which the Company had acquired stakes in May, 2012. The consolidated Net Debt in US$ terms has increased during the quarter by US$ 540 million.

**Capital Expenditure & Operating Free Cash Flow**
During the quarter ended September 30, 2012, the Company incurred capital expenditure of Rs 40,549 million. The Operating Free Cash Flow during the quarter was Rs 22,959 million, a growth of 111% over the same period last year.

**Human Resources**
As on September 30, 2012, the Company had a total of 21,299 employees.
B2C Services – India & South Asia

Mobile Services
The quarter witnessed seasonal slowdown in activities resulting in subdued top line growth. The quarter also witnessed several initiatives taken by the industry to bring more discipline in the customer acquisition process; this resulted in lower customer additions and an industry-wide decline in the customer base.

Customer Base, Churn, ARPU and MoU - India
As on September 30, 2012, the Company had 185.9 million GSM mobile customers on its network of which number of 3G customers were 5.4 million. The average monthly churn for the quarter ended September 30, 2012 was 8.5%.

During the quarter, blended ARPU was Rs 177 (US$ 3.2) per month. The blended monthly voice usage per customer during the quarter was at 417 minutes reflecting the seasonal slowdown in consumption.

The gross realization per minute during the quarter was 42.6 paisa. Voice ARPU was Rs 148 and Voice realization was 35.4 paisa per minute.

Value added services, which include revenue from services apart from voice, data & others viz. SMS, MMS, Ring Back Tones, Airtel Talksies, Music on Demand etc. contributed to approximately 10.1% of the total revenues of the segment. The Company strongly believes in placing customer interest as its top priority. The Company had taken a leadership position in meeting the TRAI guidelines on provision of VAS services, resulting in seeking prior confirmation from customers before activation of VAS services. This has resulted in a decline in VAS revenue compared to the previous quarter.

Data ARPU came in at Rs 43, helped by average data download of 133 MBs per user per month, and blended data realization rate of 32.4 paisa per MB. The Company had 40.6 million Data (Mobile Internet) customers, of which 4.0 million used 3G services. The continued actions to drive penetration and consumption through innovative products and affordable pricing have enabled the Company to improve Data usage and Data ARPU.

Revenues, EBITDA and EBIT
The revenues for the quarter ended September 30, 2012 for mobile services stood at Rs 111,170 million, a growth of 14% over the corresponding quarter last year. The revenue from this segment contributed to 77.1% of the total revenues of India & South Asia.

The EBITDA during the quarter ended September 30, 2012 was Rs 34,437 million representing a growth of 5% over the quarter ended September 30, 2011. The EBITDA margin for the quarter ended September 30, 2012 was 31.0%. The EBIT for the quarter ended September 30, 2012 was Rs 18,438 million as compared to Rs 19,775 million for the quarter ended September 30, 2011, a decline of 7%.

Capital Expenditure
During the quarter ended September 30, 2012, the Company incurred a capital expenditure of Rs 17,345 million in Mobile Services (including investments towards launch of 4G services).

Telemedia Services

Customer Base and ARPU
As on September 30, 2012, the Company had its Telemedia operations in 87 cities. The number of customers stood at 3.3 million customers as on September 30, 2012. The Company had approximately 1.4 million broadband (DSL) customers. The ARPU for the quarter was Rs 971 (US$ 17.6) per month.

Revenues, EBITDA and EBIT
For the quarter ended September 30, 2012, the revenues from Telemedia operations remained flat at Rs 9,529 million over the corresponding quarter last year. The EBITDA for the quarter was Rs 4,039 million compared to Rs 4,213 million in the corresponding prior quarter year, a decrease of 4%. The EBITDA margin for this segment was 42.4%. The EBIT was Rs 1,803 million as compared to Rs 2,126 million for the quarter ended September 30, 2011, a decline of 15%.

Capital Expenditure
During the quarter ended September 30, 2012, the Company incurred a capital expenditure of Rs 1,492 million in Telemedia Services.

Digital TV Services

Customer Base and ARPU
As on September 30, 2012, the Company had its Digital TV operations in 632 districts. The number of customers stood at 7.5 million customers as on September 30, 2012. The ARPU for the quarter was Rs 177 (US$ 3.2) per month. The improvement in ARPU has been achieved through product innovations and up-selling.

Revenues, EBITDA and EBIT
For the quarter ended September 30, 2012, the revenues from Digital TV operations of Rs 3,937 million represented a growth of 26% over the corresponding quarter last year. The EBITDA for the quarter was Rs 33 million representing a decline of 72% over the corresponding quarter last year. The EBITDA margin for this segment was 0.8% for the quarter ended September 30, 2012. The EBIT loss for the quarter was Rs 2,228 million as compared to loss of Rs 1,806 million for the quarter ended September 30, 2011.

Capital Expenditure
During the quarter ended September 30, 2012, the Company incurred a capital expenditure of Rs 1,630 million in Digital TV Services.

B2B Services – India & South Asia

Airtel Business

Revenues, EBITDA and EBIT
The revenues for the quarter ended September 30, 2012 for Airtel Business stood at Rs 13,934 million, a healthy growth of 26% over the corresponding quarter last year. The revenue from this segment contributed to 9.7% of the total revenues of India and South Asia. The EBITDA during the quarter ended September 30, 2012 was Rs 2,148 million, a decline of 9% over the corresponding quarter last year. The EBITDA margin for the quarter ended September 30, 2012 was 15.4%. The EBIT for the quarter ended September 30, 2012 was Rs 770 million as compared to Rs 1,051 million for the quarter ended September 30, 2011, a decline of 27%.

With the transition from capex to opex model, the Company believes that EBIT and Operating Free Cash Flow are the right measures of profitability for this business.

With favorable exchange rate, the Company has been able to offer competitive prices in the international market. This has resulted in garnering higher traffic market share.

Capital Expenditure
During the quarter ended September 30, 2012, the Company incurred a capital expenditure of Rs 458 million in Airtel
Business. The segment contributed a healthy Operating Free Cash Flow of Rs 1,690 million; at 12.1% of revenues, this reflects a strong cash generating business.

**Tower Infrastructure Services**

**Revenues, EBITDA and EBIT**

The revenues for the quarter ended September 30, 2012 for Tower Infrastructure Services were Rs 25,567 million, a growth of 8% over the corresponding quarter last year. The EBITDA during the quarter ended September 30, 2012 was Rs 9,577 million representing a growth of 8% over the quarter ended September 30, 2011. The EBITDA margin for the quarter ended September 30, 2012 was 37.5%. The EBIT for the quarter ended September 30, 2012 was Rs 4,090 million as compared to Rs 3,520 million for the quarter ended September 30, 2011, a growth of 16.2%.

**Capital Expenditure**

During the quarter ended September 30, 2012, the Company incurred a capital expenditure of Rs 5,579 million in Tower Infrastructure Services.

**Towers and Sharing Operators**

As at the end of the quarter, Bharti Infratel had 34,220 towers and average sharing factor of 1.81 times. As at the end of the quarter, Indus Towers had 110,561 towers and average sharing factor of 1.98 times.

**Mobile Services – Africa**

Economic headwinds still prevail in many African countries, whose economies are adjusting to lower levels of aid and grants. The telecom market witnessed intense competitive activities including aggressive pricing by market leaders as well as enhanced participation by newer players.

The Company has heightened growth stimuli through further promotions and affordable services which have reflected in increased traffic growth.

**Customer Base, ARPU and MoU**

At the end of the quarter ended September 30, 2012, the Company had 58.7 million GSM mobile customers on its network. During the quarter, the Company added 2.8 million customers. The ARPU for the quarter was US$ 6.4 per month. The blended monthly voice usage per customer, during the quarter was 138 minutes, reflecting a significant improvement from usage level of 120 minutes in the previous quarter.

Non voice revenue, which includes revenue from services other than voice i.e., Messaging & VAS (including SMS, GPRS, MMS, Ring Back Tone, Airtel Talkies, Music on Demand), data, others etc. contributed to approximately 13.0% of the total revenues of the segment.

The Company now offers its low-cost, innovative airtel money service in 15 African countries. The Company has so far launched 3G in 11 countries with roll out of 5,347 sites. The number of 2G sites has also increased by 17% to 15,979 over September 30, 2011.

**Revenues, EBITDA and EBIT**

During the quarter, in local currency terms, the Company’s revenue in Africa grew by 13% over the corresponding period last year. In Rupee terms, Africa revenue came in at Rs 60,512 million representing a strong growth of 29% over last year, helping to lift the overall consolidated growth of the Company.

EBITDA in Rupee terms of Rs 16,413 million grew by 32% over the corresponding period last year, resulting from strong growth in revenues, improved margin and favourable currency movements. The EBITDA margin has improved to 27.1% from 26.4% in the corresponding quarter last year.

EBIT for the quarter ended September 30, 2012 was Rs 4,397 million representing a growth of 17% over the corresponding quarter last year.

**Net Income**

The net loss for the quarter came in at Rs 5,388 million, impacted by higher depreciation and finance costs.

**Capital Expenditure**

During the quarter ended September 30, 2012, the Company incurred a capital expenditure of Rs 11,592 million on its African operations. The resultant Operating Free Cash Flow in Africa was at Rs 4,821 million, reflecting sustained positive cash generation for the last four quarters.
5.4 Bharti’s Three Line Graph

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

The parameters considered for the three-line graph are:

1. Total Revenues i.e. absolute turnover/sales

2. Opex Productivity – operating expenses divided by the total revenues for the respective period. Operating expenses is the sum of (i) equipment costs (ii) employee costs (iii) network operations costs & (iv) selling, general and administrative costs. This ratio depicts the operational efficiencies in the Company

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

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

5.4.1 Bharti Airtel Consolidated

5.4.2 Bharti Airtel - India & South Asia

5.4.3 Bharti Airtel – Africa
SECTION 6

STOCK MARKET HIGHLIGHTS

6.1 General Information

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<td>Rs bn</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>US$ bn</td>
</tr>
<tr>
<td>Enterprise Value/ Annualised Q2 Revenue</td>
<td>Times</td>
</tr>
<tr>
<td>Enterprise Value/ Annualised Q2 EBITDA</td>
<td>Times</td>
</tr>
</tbody>
</table>

6.2 Summarized Shareholding pattern as of September 30, 2012

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Shares</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoter &amp; Promoter Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>1,735,453,890</td>
<td>45.70%</td>
</tr>
<tr>
<td>Foreign</td>
<td>865,673,286</td>
<td>22.80%</td>
</tr>
<tr>
<td>Sub total</td>
<td>2,601,127,176</td>
<td>68.50%</td>
</tr>
<tr>
<td>Public Shareholding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutions</td>
<td>945,853,864</td>
<td>24.91%</td>
</tr>
<tr>
<td>Non-institutions</td>
<td>250,549,056</td>
<td>6.60%</td>
</tr>
<tr>
<td>Sub total</td>
<td>1,196,402,920</td>
<td>31.50%</td>
</tr>
<tr>
<td>Total</td>
<td>3,797,530,096</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
<th>Amount in Rs mn, except ratios</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>202,732</td>
<td>172,698</td>
<td>17%</td>
</tr>
<tr>
<td>Other operating income</td>
<td>98</td>
<td>66</td>
<td>48%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(139,322)</td>
<td>(114,613)</td>
<td>22%</td>
</tr>
<tr>
<td>Depreciation &amp; amortisation</td>
<td>(38,560)</td>
<td>(31,839)</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Profit / (Loss) from operations</strong></td>
<td>24,948</td>
<td>26,312</td>
<td>-5%</td>
</tr>
<tr>
<td>Share of results of associates</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Profit / (Loss) before interest and tax</strong></td>
<td>24,948</td>
<td>26,312</td>
<td>-5%</td>
</tr>
<tr>
<td>Finance income</td>
<td>3,600</td>
<td>2,480</td>
<td>45%</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(13,819)</td>
<td>(13,666)</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Profit / (Loss) before tax</strong></td>
<td>14,729</td>
<td>15,126</td>
<td>-3%</td>
</tr>
<tr>
<td>Income tax income/(expense)</td>
<td>(7,714)</td>
<td>(4,900)</td>
<td>57%</td>
</tr>
<tr>
<td><strong>Net income / (loss) for the period</strong></td>
<td>7,015</td>
<td>10,226</td>
<td>-31%</td>
</tr>
<tr>
<td>Income Attributable to :</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity holders of the parent</strong></td>
<td>7,212</td>
<td>10,270</td>
<td>-30%</td>
</tr>
<tr>
<td>Non controlling interests</td>
<td>(197)</td>
<td>(44)</td>
<td>348%</td>
</tr>
<tr>
<td><strong>Net Income / (Loss)</strong></td>
<td>7,015</td>
<td>10,226</td>
<td>-31%</td>
</tr>
<tr>
<td>Earning Per Share</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic, profit attributable to equity holders of parent (In Rs)</td>
<td>1.90</td>
<td>2.71</td>
<td></td>
</tr>
<tr>
<td>Diluted, profit attributable to equity holders of parent (In Rs)</td>
<td>1.90</td>
<td>2.71</td>
<td></td>
</tr>
</tbody>
</table>

7.1.2 Consolidated Statement of Comprehensive Income

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended</th>
<th>Half Year Ended</th>
<th>Amount in Rs mn, except ratios</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income / (loss) for the period</td>
<td>7,015</td>
<td>10,226</td>
<td>-31%</td>
</tr>
<tr>
<td>Exchange differences on translation of foreign operations</td>
<td>(3,996)</td>
<td>(20,167)</td>
<td>-80%</td>
</tr>
<tr>
<td><strong>Total comprehensive income / (loss) for the period, net of tax</strong></td>
<td>3,019</td>
<td>(9,941)</td>
<td>-130%</td>
</tr>
<tr>
<td>Total comprehensive income / (loss) attributable to :</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity holders of the parent</strong></td>
<td>3,041</td>
<td>(9,886)</td>
<td>-131%</td>
</tr>
<tr>
<td>Non controlling interests</td>
<td>(22)</td>
<td>(55)</td>
<td>-60%</td>
</tr>
<tr>
<td><strong>Total Comprehensive Income / (Loss)</strong></td>
<td>3,019</td>
<td>(9,941)</td>
<td>-130%</td>
</tr>
</tbody>
</table>
7.1.3 Consolidated Statement of Financial Position

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at Sep 30, 2012</th>
<th>As at Mar 31, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>687,485</td>
<td>674,932</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>678,691</td>
<td>660,889</td>
</tr>
<tr>
<td>Investment in associates</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>Derivative financial assets</td>
<td>3,327</td>
<td>2,756</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>16,153</td>
<td>17,086</td>
</tr>
<tr>
<td>Other non - financial assets</td>
<td>17,563</td>
<td>15,568</td>
</tr>
<tr>
<td>Deferred tax asset</td>
<td>56,197</td>
<td>51,277</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>1,459,416</strong></td>
<td><strong>1,422,532</strong></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>1,355</td>
<td>1,308</td>
</tr>
<tr>
<td>Trade and other receivable</td>
<td>77,332</td>
<td>63,735</td>
</tr>
<tr>
<td>Derivative financial assets</td>
<td>1,606</td>
<td>2,137</td>
</tr>
<tr>
<td>Prepayments and other assets</td>
<td>37,537</td>
<td>32,621</td>
</tr>
<tr>
<td>Income tax recoverable</td>
<td>7,104</td>
<td>9,049</td>
</tr>
<tr>
<td>Short term investments</td>
<td>16,303</td>
<td>18,132</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,011</td>
<td>802</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>17,900</td>
<td>20,300</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>160,148</strong></td>
<td><strong>148,084</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>1,619,564</strong></td>
<td><strong>1,570,616</strong></td>
</tr>
<tr>
<td><strong>Equity and liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued capital</td>
<td>18,988</td>
<td>18,988</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>(779)</td>
<td>(282)</td>
</tr>
<tr>
<td>Share premium</td>
<td>56,499</td>
<td>56,499</td>
</tr>
<tr>
<td>Retained earnings / (deficit)</td>
<td>406,104</td>
<td>395,682</td>
</tr>
<tr>
<td>Foreign currency translation reserve</td>
<td>(28,879)</td>
<td>(6,026)</td>
</tr>
<tr>
<td>Other components of equity</td>
<td>41,137</td>
<td>41,252</td>
</tr>
<tr>
<td><strong>Equity attributable to equity holders of parent</strong></td>
<td><strong>493,070</strong></td>
<td><strong>506,113</strong></td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>26,752</td>
<td>27,695</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>519,822</strong></td>
<td><strong>533,808</strong></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowing</td>
<td>559,293</td>
<td>497,154</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>9,135</td>
<td>2,892</td>
</tr>
<tr>
<td>Provisions</td>
<td>8,435</td>
<td>7,240</td>
</tr>
<tr>
<td>Derivative financial liabilities</td>
<td>593</td>
<td>401</td>
</tr>
<tr>
<td>Deferred tax liability</td>
<td>14,273</td>
<td>11,621</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>24,683</td>
<td>23,076</td>
</tr>
<tr>
<td>Other non - financial liabilities</td>
<td>3,549</td>
<td>5,551</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>619,961</strong></td>
<td><strong>547,935</strong></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowing</td>
<td>145,856</td>
<td>193,078</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>36,283</td>
<td>43,282</td>
</tr>
<tr>
<td>Provisions</td>
<td>1,745</td>
<td>1,290</td>
</tr>
<tr>
<td>Other non - financial liabilities</td>
<td>15,694</td>
<td>10,811</td>
</tr>
<tr>
<td>Derivative financial liabilities</td>
<td>499</td>
<td>166</td>
</tr>
<tr>
<td>Income tax liabilities</td>
<td>3,468</td>
<td>7,596</td>
</tr>
<tr>
<td>Trade &amp; other payables</td>
<td>276,236</td>
<td>232,650</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>479,781</strong></td>
<td><strong>488,873</strong></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>1,099,742</strong></td>
<td><strong>1,036,808</strong></td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td><strong>1,619,564</strong></td>
<td><strong>1,570,616</strong></td>
</tr>
</tbody>
</table>
### 7.1.4 Consolidated Statement of Cash Flows

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>14,729</td>
<td>27,358</td>
</tr>
<tr>
<td><strong>Adjustments for -</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>38,560</td>
<td>76,131</td>
</tr>
<tr>
<td>Finance income</td>
<td>(3,600)</td>
<td>(5,318)</td>
</tr>
<tr>
<td>Finance cost</td>
<td>13,819</td>
<td>23,748</td>
</tr>
<tr>
<td>Share of results of associated companies (post tax)</td>
<td>0</td>
<td>76</td>
</tr>
<tr>
<td>Amortization of stock based compensation</td>
<td>24</td>
<td>114</td>
</tr>
<tr>
<td>Other non-cash items</td>
<td>233</td>
<td>357</td>
</tr>
<tr>
<td><strong>Operating cash flow before changes in assets and liabilities</strong></td>
<td>63,765</td>
<td>122,466</td>
</tr>
<tr>
<td>Trade &amp; other receivables and prepayments</td>
<td>(10,065)</td>
<td>(20,061)</td>
</tr>
<tr>
<td>Inventories</td>
<td>(53)</td>
<td>(19)</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>3,539</td>
<td>32,209</td>
</tr>
<tr>
<td>Change in provision</td>
<td>291</td>
<td>897</td>
</tr>
<tr>
<td>Other financial and non financial liabilities</td>
<td>(550)</td>
<td>(1,778)</td>
</tr>
<tr>
<td>Other financial and non financial assets</td>
<td>1,915</td>
<td>2,342</td>
</tr>
<tr>
<td><strong>Cash generated from operations</strong></td>
<td>58,841</td>
<td>136,056</td>
</tr>
<tr>
<td>Interest received</td>
<td>690</td>
<td>799</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(10,187)</td>
<td>(17,331)</td>
</tr>
<tr>
<td><strong>Net cash inflow from operating activities</strong></td>
<td>49,344</td>
<td>119,524</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds/(Purchase) of property, plant and equipment</td>
<td>(34,702)</td>
<td>(62,787)</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>(1,003)</td>
<td>(2,160)</td>
</tr>
<tr>
<td>Short term investments (Net)</td>
<td>17,269</td>
<td>2,993</td>
</tr>
<tr>
<td>Investment in associate / joint venture</td>
<td>3,379</td>
<td>(5,902)</td>
</tr>
<tr>
<td>Loan to associates</td>
<td>(40)</td>
<td>(100)</td>
</tr>
<tr>
<td><strong>Net cash outflow from investing activities</strong></td>
<td>(15,098)</td>
<td>(67,956)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of borrowings</td>
<td>64,820</td>
<td>160,268</td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>(90,744)</td>
<td>(188,089)</td>
</tr>
<tr>
<td>Short term borrowings (net)</td>
<td>(345)</td>
<td>(2,640)</td>
</tr>
<tr>
<td>Purchase of Treasury stock</td>
<td>(762)</td>
<td>(762)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(9,078)</td>
<td>(19,518)</td>
</tr>
<tr>
<td>Proceeds from exercise of stock options</td>
<td>33</td>
<td>44</td>
</tr>
<tr>
<td>Dividend paid (including tax) to Company’s shareholders</td>
<td>(4,412)</td>
<td>(4,412)</td>
</tr>
<tr>
<td>Dividend paid (including tax) to non - controlling interests</td>
<td>(929)</td>
<td>(1,029)</td>
</tr>
<tr>
<td><strong>Net cash inflow / (outflow) from financing activities</strong></td>
<td>(41,417)</td>
<td>(56,138)</td>
</tr>
<tr>
<td><strong>Net (decrease) / increase in cash and cash equivalents during the period</strong></td>
<td>(7,171)</td>
<td>(4,570)</td>
</tr>
<tr>
<td>Effect of exchange rate changes on cash and cash equivalents</td>
<td>1,670</td>
<td>(762)</td>
</tr>
<tr>
<td><strong>Add : Balance as at the Beginning of the period</strong></td>
<td>8,207</td>
<td>8,037</td>
</tr>
<tr>
<td><strong>Balance as at the end of the period</strong></td>
<td>2,705</td>
<td>2,705</td>
</tr>
</tbody>
</table>

Note 18: Cash and Cash Equivalents is excluding bank overdraft
Note 19: In the quarter ended June 30, 2012, investment of Rs 9,281 million in Qualcomm Indian BWA entities was accounted as an investment in associate. During the quarter ended September 30, 2012, based on the developments in the operational front, the investment is now being treated as Joint Venture, resulting in investment being accounted on proportionate consolidation basis. Consequently, the proportionate share of cash balance on the date of acquisition has been disclosed as cash inflow.
7.2 Schedules to Financial Statements

7.2.1 India & South Asia

7.2.1.1 Schedule of Operating Expenses

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Access charges</td>
<td>20,342</td>
<td>37,208</td>
</tr>
<tr>
<td>Licence fees, revenue share &amp; spectrum charges</td>
<td>13,867</td>
<td>27,736</td>
</tr>
<tr>
<td>Network operations costs</td>
<td>36,390</td>
<td>71,783</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>240</td>
<td>561</td>
</tr>
<tr>
<td>Employee costs</td>
<td>5,220</td>
<td>10,320</td>
</tr>
<tr>
<td>Selling, general and administration expense</td>
<td>21,116</td>
<td>43,282</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td><strong>97,175</strong></td>
<td><strong>190,890</strong></td>
</tr>
</tbody>
</table>

7.2.1.2 Schedule of Depreciation & Amortization

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>23,369</td>
<td>46,419</td>
</tr>
<tr>
<td>Amortization</td>
<td>3,176</td>
<td>6,177</td>
</tr>
<tr>
<td><strong>Depreciation and Amortization</strong></td>
<td><strong>26,545</strong></td>
<td><strong>52,596</strong></td>
</tr>
</tbody>
</table>

7.2.1.3 Schedule of Income Tax

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax expense</td>
<td>5,637</td>
<td>11,264</td>
</tr>
<tr>
<td>Deferred tax expense / (income)</td>
<td>562</td>
<td>(1,352)</td>
</tr>
<tr>
<td>Dividend distribution tax (DDT)</td>
<td>657</td>
<td>657</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td><strong>6,856</strong></td>
<td><strong>10,569</strong></td>
</tr>
</tbody>
</table>
### 7.2.2 Africa

#### 7.2.2.1 Schedule of Operating Expenses

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Access charges</td>
<td>193</td>
<td>399</td>
</tr>
<tr>
<td>Licence fees, revenue share &amp; spectrum charges</td>
<td>47</td>
<td>92</td>
</tr>
<tr>
<td>Network operations costs</td>
<td>181</td>
<td>369</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>23</td>
<td>43</td>
</tr>
<tr>
<td>Employee costs</td>
<td>90</td>
<td>170</td>
</tr>
<tr>
<td>Selling, general and administration expense</td>
<td>265</td>
<td>518</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td><strong>799</strong></td>
<td><strong>1,591</strong></td>
</tr>
</tbody>
</table>

#### 7.2.2.2 Schedule of Depreciation & Amortization

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>153</td>
<td>302</td>
</tr>
<tr>
<td>Amortization</td>
<td>65</td>
<td>129</td>
</tr>
<tr>
<td><strong>Depreciation and Amortization</strong></td>
<td><strong>218</strong></td>
<td><strong>431</strong></td>
</tr>
</tbody>
</table>

#### 7.2.2.3 Schedule of Income Tax

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax expense</td>
<td>33</td>
<td>69</td>
</tr>
<tr>
<td>Withholding taxes (WHT)</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Deferred tax expense / (income)</td>
<td>(23)</td>
<td>(44)</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td><strong>15</strong></td>
<td><strong>36</strong></td>
</tr>
</tbody>
</table>
7.3 Consolidated Schedule of Net Debt & Finance Cost

7.3.1 Schedule of Net Debt in INR

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at Sep 30, 2012</th>
<th>As at Mar 31, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term debt, net of current portion</td>
<td>559,293</td>
<td>497,154</td>
</tr>
<tr>
<td>Short-term borrowings and current portion of long-term debt</td>
<td>145,857</td>
<td>193,079</td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>17,899</td>
<td>20,300</td>
</tr>
<tr>
<td>Restricted Cash</td>
<td>1,074</td>
<td>989</td>
</tr>
<tr>
<td>Restricted Cash, non-current</td>
<td>2,273</td>
<td>417</td>
</tr>
<tr>
<td>Short term investments</td>
<td>16,303</td>
<td>18,132</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td><strong>667,600</strong></td>
<td><strong>650,394</strong></td>
</tr>
</tbody>
</table>

7.3.2 Schedule of Net Debt in US$

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at Sep 30, 2012</th>
<th>As at Mar 31, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term debt, net of current portion</td>
<td>10,613</td>
<td>9,718</td>
</tr>
<tr>
<td>Short-term borrowings and current portion of long-term debt</td>
<td>2,768</td>
<td>3,774</td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>340</td>
<td>397</td>
</tr>
<tr>
<td>Restricted Cash</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>Restricted Cash, non-current</td>
<td>43</td>
<td>8</td>
</tr>
<tr>
<td>Short term investments</td>
<td>309</td>
<td>354</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td><strong>12,669</strong></td>
<td><strong>12,714</strong></td>
</tr>
</tbody>
</table>

Note 20: Net debt as on Sep 30, 2012 includes Rs 23,719 million (US$ 450 million), representing 49% of the net debt of the Qualcomm subsidiaries, into which the Company had acquired stakes in May, 2012.

7.3.3 Schedule of Finance Cost

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on borrowings &amp; Finance charges</td>
<td>11,644</td>
<td>22,422</td>
</tr>
<tr>
<td>Derivatives and exchange (gain)/loss</td>
<td>250</td>
<td>(1,356)</td>
</tr>
<tr>
<td>Investment Income</td>
<td>(1,675)</td>
<td>(2,638)</td>
</tr>
<tr>
<td><strong>Finance cost (net)</strong></td>
<td><strong>10,219</strong></td>
<td><strong>18,428</strong></td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Non – GAAP measure</th>
<th>Equivalent GAAP measure for IFRS</th>
<th>Location in this results announcement of reconciliation and further information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings before Interest, Taxation,</td>
<td>Profit / (Loss) from Operating</td>
<td>Page 34</td>
</tr>
<tr>
<td>Depreciation and Amortization (EBITDA)</td>
<td>Activities</td>
<td></td>
</tr>
<tr>
<td>Cash Profit from Operations before Derivative &amp; Exchange (Gain)/Loss</td>
<td>Profit / (Loss) from Operating</td>
<td>Page 34</td>
</tr>
<tr>
<td></td>
<td>Activities</td>
<td></td>
</tr>
<tr>
<td>Capex</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Operating Free Cash flow</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Cumulative investments</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

7.4.1 Reconciliation of Non-GAAP financial information based on IFRS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended Sep 2012</th>
<th>Half Year Ended Sep 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit / (Loss) from Operating Activities To EBITDA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit / (Loss) from Operating Activities</td>
<td>24,948</td>
<td>45,864</td>
</tr>
<tr>
<td>Add: Depreciation and Amortization</td>
<td>38,560</td>
<td>76,131</td>
</tr>
<tr>
<td>EBITDA</td>
<td>63,508</td>
<td>121,995</td>
</tr>
</tbody>
</table>

Reconciliation of Finance Cost

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended Sep 2012</th>
<th>Half Year Ended Sep 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Cost</td>
<td>13,819</td>
<td>24,648</td>
</tr>
<tr>
<td>Finance Income</td>
<td>(3,600)</td>
<td>(6,218)</td>
</tr>
<tr>
<td>Finance Cost (net)</td>
<td>10,219</td>
<td>18,430</td>
</tr>
</tbody>
</table>

Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter Ended Sep 2012</th>
<th>Half Year Ended Sep 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit / (Loss) from Operating Activities</td>
<td>24,948</td>
<td>45,864</td>
</tr>
<tr>
<td>Add: Depreciation and Amortization</td>
<td>38,560</td>
<td>76,131</td>
</tr>
<tr>
<td>Less: Finance Cost (net)</td>
<td>10,219</td>
<td>18,430</td>
</tr>
<tr>
<td>Add: Derivatives and exchange (gain)/loss</td>
<td>250</td>
<td>(1,355)</td>
</tr>
<tr>
<td>Cash Profit from Operations</td>
<td>53,539</td>
<td>102,210</td>
</tr>
</tbody>
</table>
A.1 Trends & Ratio Analysis

A.1.1 Based on Statement of Operations

Consolidated

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>202,732</td>
<td>193,501</td>
<td>187,294</td>
<td>184,767</td>
<td>172,698</td>
</tr>
<tr>
<td>Access and interconnection charges</td>
<td>29,526</td>
<td>27,045</td>
<td>25,658</td>
<td>26,235</td>
<td>23,310</td>
</tr>
<tr>
<td>Operating Expenses (Excl Access Charges &amp; License Fee)</td>
<td>93,327</td>
<td>91,788</td>
<td>83,183</td>
<td>83,826</td>
<td>76,794</td>
</tr>
<tr>
<td>Licence Fee</td>
<td>16,469</td>
<td>16,300</td>
<td>16,218</td>
<td>15,434</td>
<td>14,508</td>
</tr>
<tr>
<td>EBITDA</td>
<td>63,508</td>
<td>58,487</td>
<td>62,329</td>
<td>59,584</td>
<td>58,151</td>
</tr>
<tr>
<td>Cash profit from operations before Derivative and Exchange Fluctuations</td>
<td>53,539</td>
<td>48,671</td>
<td>53,581</td>
<td>51,576</td>
<td>49,356</td>
</tr>
<tr>
<td>Profit / (Loss) before tax</td>
<td>14,729</td>
<td>12,629</td>
<td>17,056</td>
<td>15,806</td>
<td>15,126</td>
</tr>
<tr>
<td>Net income</td>
<td>7,212</td>
<td>7,622</td>
<td>10,059</td>
<td>10,113</td>
<td>10,270</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As a % of Total Revenues</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access and interconnection charges</td>
<td>14.6%</td>
<td>14.0%</td>
<td>13.7%</td>
<td>14.2%</td>
<td>13.5%</td>
</tr>
<tr>
<td>Operating Expenses (Excl Access Charges &amp; License Fee)</td>
<td>46.0%</td>
<td>47.4%</td>
<td>44.4%</td>
<td>45.4%</td>
<td>44.5%</td>
</tr>
<tr>
<td>Licence Fee</td>
<td>8.1%</td>
<td>8.4%</td>
<td>8.7%</td>
<td>8.4%</td>
<td>8.4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>31.3%</td>
<td>30.2%</td>
<td>33.3%</td>
<td>32.2%</td>
<td>33.7%</td>
</tr>
<tr>
<td>Cash profit from operations before Derivative and Exchange Fluctuations</td>
<td>26.4%</td>
<td>25.2%</td>
<td>28.6%</td>
<td>27.9%</td>
<td>28.6%</td>
</tr>
<tr>
<td>Profit / (Loss) before tax</td>
<td>7.3%</td>
<td>6.5%</td>
<td>9.1%</td>
<td>8.6%</td>
<td>8.8%</td>
</tr>
<tr>
<td>Net income</td>
<td>3.6%</td>
<td>3.9%</td>
<td>5.4%</td>
<td>5.5%</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

India & South Asia

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>144,187</td>
<td>137,177</td>
<td>134,210</td>
<td>131,628</td>
<td>126,790</td>
</tr>
<tr>
<td>Access and interconnection charges</td>
<td>20,342</td>
<td>16,866</td>
<td>15,720</td>
<td>15,371</td>
<td>14,594</td>
</tr>
<tr>
<td>Operating Expenses (Excl Access Charges &amp; License Fee)</td>
<td>62,966</td>
<td>62,980</td>
<td>57,462</td>
<td>57,824</td>
<td>53,991</td>
</tr>
<tr>
<td>Licence Fee</td>
<td>13,867</td>
<td>13,868</td>
<td>13,829</td>
<td>13,371</td>
<td>12,547</td>
</tr>
<tr>
<td>EBITDA</td>
<td>47,097</td>
<td>43,584</td>
<td>47,352</td>
<td>45,225</td>
<td>45,728</td>
</tr>
<tr>
<td>Profit / (Loss) before tax</td>
<td>19,716</td>
<td>18,416</td>
<td>18,606</td>
<td>16,955</td>
<td>19,005</td>
</tr>
<tr>
<td>Net income</td>
<td>12,601</td>
<td>14,293</td>
<td>13,472</td>
<td>12,703</td>
<td>14,519</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As a % of Total Revenues</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access and interconnection charges</td>
<td>14.1%</td>
<td>12.3%</td>
<td>11.7%</td>
<td>11.7%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Operating Expenses (Excl Access Charges &amp; License Fee)</td>
<td>43.7%</td>
<td>45.9%</td>
<td>42.8%</td>
<td>43.9%</td>
<td>42.6%</td>
</tr>
<tr>
<td>Licence Fee</td>
<td>9.6%</td>
<td>10.1%</td>
<td>10.3%</td>
<td>10.2%</td>
<td>9.9%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>32.7%</td>
<td>31.8%</td>
<td>35.3%</td>
<td>34.4%</td>
<td>36.1%</td>
</tr>
<tr>
<td>Profit / (Loss) before tax</td>
<td>13.7%</td>
<td>13.4%</td>
<td>13.9%</td>
<td>12.9%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Net income</td>
<td>8.7%</td>
<td>10.4%</td>
<td>10.0%</td>
<td>9.7%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

Note 21: Figures for the quarter ended June 30, 2012 have been restated to give effect to few changes in consolidation of overseas subsidiaries with no effect on consolidated figures.
### Africa

**Parameters for the Quarter Ended**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>1,097</td>
<td>1,066</td>
<td>1,071</td>
<td>1,057</td>
<td>1,030</td>
</tr>
<tr>
<td>Access and interconnection charges</td>
<td>193</td>
<td>206</td>
<td>208</td>
<td>216</td>
<td>206</td>
</tr>
<tr>
<td>Operating Expenses (Excl Access Charges &amp; License Fee)</td>
<td>558</td>
<td>541</td>
<td>518</td>
<td>521</td>
<td>511</td>
</tr>
<tr>
<td>Licence Fee</td>
<td>47</td>
<td>45</td>
<td>48</td>
<td>41</td>
<td>43</td>
</tr>
<tr>
<td>EBITDA</td>
<td>298</td>
<td>275</td>
<td>298</td>
<td>282</td>
<td>270</td>
</tr>
<tr>
<td>Profit / (Loss) before tax</td>
<td>(90)</td>
<td>(108)</td>
<td>(30)</td>
<td>(26)</td>
<td>(87)</td>
</tr>
<tr>
<td>Net income</td>
<td>(97)</td>
<td>(124)</td>
<td>(67)</td>
<td>(52)</td>
<td>(95)</td>
</tr>
<tr>
<td>Interest expense on acquisition loans</td>
<td>46</td>
<td>47</td>
<td>50</td>
<td>43</td>
<td>45</td>
</tr>
<tr>
<td>Net income from operations</td>
<td>(51)</td>
<td>(77)</td>
<td>(17)</td>
<td>(9)</td>
<td>(50)</td>
</tr>
</tbody>
</table>

**Exchange Fluctuation Impact**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported revenues (US $)</td>
<td>1,097</td>
<td>1,066</td>
<td>1,071</td>
<td>1,057</td>
<td>1,030</td>
</tr>
<tr>
<td>a. QoQ growth (%)</td>
<td>2.84%</td>
<td>-0.45%</td>
<td>1.30%</td>
<td>2.62%</td>
<td>5.27%</td>
</tr>
<tr>
<td>b. Impact of exchange fluctuation (%)</td>
<td>-0.89%</td>
<td>-1.56%</td>
<td>-140%</td>
<td>-2.28%</td>
<td>-1.87%</td>
</tr>
<tr>
<td>c. QoQ growth in constant currency (%) (a - b)</td>
<td>3.73%</td>
<td>1.2%</td>
<td>2.7%</td>
<td>4.90%</td>
<td>7.14%</td>
</tr>
<tr>
<td>Revenues in constant currency (US $)</td>
<td>1,097</td>
<td>1,057</td>
<td>1,045</td>
<td>1,018</td>
<td>970</td>
</tr>
</tbody>
</table>

**Notes:**
- **Note 22:** Based on QoQ variation and weighted on the revenues of each country for the current quarter.
- **Note 23:** Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended September’12.

### As a % of Total Revenues

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access and interconnection charges</td>
<td>17.6%</td>
<td>19.3%</td>
<td>19.4%</td>
<td>20.4%</td>
<td>20.0%</td>
</tr>
<tr>
<td>Operating Expenses (Excl Access Charges &amp; License Fee)</td>
<td>50.9%</td>
<td>50.7%</td>
<td>48.4%</td>
<td>49.3%</td>
<td>49.6%</td>
</tr>
<tr>
<td>Licence Fee</td>
<td>4.3%</td>
<td>4.2%</td>
<td>4.4%</td>
<td>3.9%</td>
<td>4.2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>27.2%</td>
<td>25.8%</td>
<td>27.8%</td>
<td>26.7%</td>
<td>26.2%</td>
</tr>
<tr>
<td>Profit / (Loss) before tax</td>
<td>-8.2%</td>
<td>-10.1%</td>
<td>-2.8%</td>
<td>-2.5%</td>
<td>-8.5%</td>
</tr>
<tr>
<td>Net income from operations</td>
<td>-4.6%</td>
<td>-7.2%</td>
<td>-1.7%</td>
<td>-0.9%</td>
<td>-4.9%</td>
</tr>
</tbody>
</table>
A.1.2 Financial Trends of Business Operations

Mobile Services India & South Asia - Comprises of Consolidated Statement of Operations of Mobile Services India & South Asia.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td>111,170</td>
<td>106,848</td>
<td>105,096</td>
<td>101,764</td>
<td>97,827</td>
</tr>
<tr>
<td>EBITDA</td>
<td>34,437</td>
<td>32,350</td>
<td>35,696</td>
<td>34,431</td>
<td>32,926</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>31.0%</td>
<td>30.3%</td>
<td>34.0%</td>
<td>33.8%</td>
<td>33.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>18,438</td>
<td>17,012</td>
<td>21,415</td>
<td>20,176</td>
<td>19,775</td>
</tr>
<tr>
<td>Capex</td>
<td>17,345</td>
<td>19,411</td>
<td>4,745</td>
<td>1,878</td>
<td>12,011</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>17,092</td>
<td>12,939</td>
<td>30,951</td>
<td>32,554</td>
<td>20,914</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>747,459</td>
<td>711,311</td>
<td>678,860</td>
<td>674,005</td>
<td>665,785</td>
</tr>
</tbody>
</table>

Note 24: Effective quarter ended Jun'12, Cumulative investments include investments in 4G earlier reported under Telemedia services. Previous quarters' have been restated accordingly.

Telemadia Services

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td>9,529</td>
<td>9,442</td>
<td>9,159</td>
<td>9,128</td>
<td>9,528</td>
</tr>
<tr>
<td>EBITDA</td>
<td>4,039</td>
<td>3,809</td>
<td>3,777</td>
<td>3,542</td>
<td>4,213</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>42.4%</td>
<td>40.3%</td>
<td>41.2%</td>
<td>38.8%</td>
<td>44.2%</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,803</td>
<td>1,333</td>
<td>1,540</td>
<td>1,287</td>
<td>2,126</td>
</tr>
<tr>
<td>Capex</td>
<td>1,492</td>
<td>2,081</td>
<td>1,496</td>
<td>1,470</td>
<td>1,348</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>2,547</td>
<td>1,728</td>
<td>2,281</td>
<td>2,072</td>
<td>2,865</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>96,817</td>
<td>95,305</td>
<td>93,317</td>
<td>91,792</td>
<td>90,336</td>
</tr>
</tbody>
</table>

Note 25: Effective quarter ended Jun'12, Cumulative investments in 4G earlier reported under Telemedia services have now been reported under Mobile services (India & South Asia). Previous quarters’ have been restated accordingly.

Digital TV Services

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td>3,937</td>
<td>3,658</td>
<td>3,565</td>
<td>3,327</td>
<td>3,135</td>
</tr>
<tr>
<td>EBITDA</td>
<td>33</td>
<td>(23)</td>
<td>209</td>
<td>90</td>
<td>116</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>0.8%</td>
<td>-0.6%</td>
<td>5.9%</td>
<td>2.7%</td>
<td>3.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>(2,228)</td>
<td>(2,265)</td>
<td>(1,944)</td>
<td>(1,955)</td>
<td>(1,806)</td>
</tr>
<tr>
<td>Capex</td>
<td>1,630</td>
<td>3,241</td>
<td>981</td>
<td>1,503</td>
<td>2,610</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>(1,597)</td>
<td>(3,264)</td>
<td>(772)</td>
<td>(1,413)</td>
<td>(2,494)</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>37,876</td>
<td>35,402</td>
<td>32,980</td>
<td>32,586</td>
<td>31,522</td>
</tr>
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</table>

Airtel Business

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td>13,934</td>
<td>11,906</td>
<td>11,209</td>
<td>11,881</td>
<td>11,042</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,148</td>
<td>1,963</td>
<td>1,631</td>
<td>2,008</td>
<td>2,371</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>15.4%</td>
<td>16.5%</td>
<td>14.5%</td>
<td>16.9%</td>
<td>21.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>770</td>
<td>591</td>
<td>181</td>
<td>713</td>
<td>1,051</td>
</tr>
<tr>
<td>Capex</td>
<td>458</td>
<td>166</td>
<td>338</td>
<td>458</td>
<td>116</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>1,690</td>
<td>1,797</td>
<td>1,293</td>
<td>1,550</td>
<td>2,255</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>42,268</td>
<td>42,927</td>
<td>42,493</td>
<td>44,404</td>
<td>43,676</td>
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</table>
### Tower Infrastructure Services

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Rs mn except ratios</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quarter Ended</td>
</tr>
<tr>
<td>Total revenues</td>
<td>25,567</td>
</tr>
<tr>
<td>EBITDA</td>
<td>9,577</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>37.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>4,090</td>
</tr>
<tr>
<td>Capex</td>
<td>5,679</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>3,898</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>243,664</td>
</tr>
</tbody>
</table>

### Others

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Rs mn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quarter Ended</td>
</tr>
<tr>
<td>Total revenues</td>
<td>946</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(2,249)</td>
</tr>
<tr>
<td>EBIT</td>
<td>(2,336)</td>
</tr>
<tr>
<td>Capex</td>
<td>2,353</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>(4,602)</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>9,576</td>
</tr>
</tbody>
</table>

### Africa - Comprises of 17 country operations in Africa.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in US$ mn except ratios</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quarter Ended</td>
</tr>
<tr>
<td>Total revenues</td>
<td>1,097</td>
</tr>
<tr>
<td>EBITDA</td>
<td>298</td>
</tr>
<tr>
<td>EBITDA / Total revenues</td>
<td>27.2%</td>
</tr>
<tr>
<td>EBIT</td>
<td>80</td>
</tr>
<tr>
<td>Capex</td>
<td>210</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>88</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>13,274</td>
</tr>
</tbody>
</table>
### A.1.3 Based on Statement of Financial Position

#### Consolidated

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity attributable to equity holders of parent</td>
<td>493,070</td>
<td>495,150</td>
<td>506,113</td>
<td>491,733</td>
<td>484,486</td>
</tr>
<tr>
<td>Net Debt</td>
<td>667,600</td>
<td>682,983</td>
<td>650,394</td>
<td>677,628</td>
<td>644,298</td>
</tr>
<tr>
<td>Net Debt (US $)</td>
<td>12,669</td>
<td>12,129</td>
<td>12,714</td>
<td>12,722</td>
<td>13,169</td>
</tr>
<tr>
<td>Capital Employed = Equity attributable to equity holders of parent + Net Debt</td>
<td>1,160,670</td>
<td>1,178,133</td>
<td>1,156,507</td>
<td>1,169,361</td>
<td>1,128,784</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on Equity attributable to equity holders of parent (LTM)</td>
<td>7.1%</td>
<td>7.7%</td>
<td>8.6%</td>
<td>9.5%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Return on Capital Employed (LTM)</td>
<td>6.2%</td>
<td>6.6%</td>
<td>7.2%</td>
<td>7.3%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Net Debt to EBITDA (LTM) - US $</td>
<td>2.72</td>
<td>2.54</td>
<td>2.56</td>
<td>2.58</td>
<td>2.70</td>
</tr>
<tr>
<td>Net Debt to EBITDA (Annualised) - US $</td>
<td>2.75</td>
<td>2.80</td>
<td>2.56</td>
<td>2.71</td>
<td>2.59</td>
</tr>
<tr>
<td>Assets Turnover ratio (LTM)</td>
<td>69.7%</td>
<td>68.6%</td>
<td>67.3%</td>
<td>64.8%</td>
<td>61.8%</td>
</tr>
<tr>
<td>Interest Coverage ratio (times)</td>
<td>6.40</td>
<td>6.29</td>
<td>7.55</td>
<td>8.08</td>
<td>8.74</td>
</tr>
<tr>
<td>Net debt to Equity attributable to equity holders of parent (Times)</td>
<td>1.35</td>
<td>1.38</td>
<td>1.29</td>
<td>1.38</td>
<td>1.33</td>
</tr>
</tbody>
</table>

#### Per share data (for the period)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Sep-12</th>
<th>Jun-12</th>
<th>Mar-12</th>
<th>Dec-11</th>
<th>Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit/(loss) per common share (in Rs)</td>
<td>1.90</td>
<td>2.01</td>
<td>2.65</td>
<td>2.66</td>
<td>2.71</td>
</tr>
<tr>
<td>Net profit/(loss) per diluted share (in Rs)</td>
<td>1.90</td>
<td>2.01</td>
<td>2.65</td>
<td>2.66</td>
<td>2.71</td>
</tr>
<tr>
<td>Book Value Per Equity Share (in Rs)</td>
<td>129.8</td>
<td>130.4</td>
<td>133.3</td>
<td>129.5</td>
<td>127.6</td>
</tr>
<tr>
<td>Market Capitalization (Rs. bn)</td>
<td>1,006</td>
<td>1,158</td>
<td>1,279</td>
<td>1,302</td>
<td>1,436</td>
</tr>
<tr>
<td>Enterprise Value (Rs. bn)</td>
<td>1,673</td>
<td>1,841</td>
<td>1,929</td>
<td>1,980</td>
<td>2,080</td>
</tr>
</tbody>
</table>
### A.1.4 Operational Performance – India

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Customers Base</strong></td>
<td>000's</td>
<td>196,652</td>
<td>197,974</td>
<td>191,777</td>
<td>186,039</td>
<td>182,725</td>
</tr>
<tr>
<td><strong>Mobile Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Base</td>
<td>000's</td>
<td>185,922</td>
<td>187,302</td>
<td>181,279</td>
<td>175,653</td>
<td>172,783</td>
</tr>
<tr>
<td>VLR</td>
<td>%</td>
<td>91.5%</td>
<td>90.8%</td>
<td>91.7%</td>
<td>90.0%</td>
<td>88.6%</td>
</tr>
<tr>
<td>Net Additions</td>
<td>000's</td>
<td>(1,380)</td>
<td>6,023</td>
<td>5,626</td>
<td>2,870</td>
<td>3,595</td>
</tr>
<tr>
<td>Pre-Paid (as a % of total Customer Base)</td>
<td>%</td>
<td>96.0%</td>
<td>96.2%</td>
<td>96.3%</td>
<td>96.3%</td>
<td>96.3%</td>
</tr>
<tr>
<td>Monthly Churn</td>
<td>%</td>
<td>8.5%</td>
<td>8.8%</td>
<td>8.8%</td>
<td>7.9%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>177</td>
<td>185</td>
<td>189</td>
<td>187</td>
<td>183</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>3.2</td>
<td>3.4</td>
<td>3.8</td>
<td>3.7</td>
<td>4.0</td>
</tr>
<tr>
<td>Total Revenue / Minutes on Network</td>
<td>paisa</td>
<td>42.6</td>
<td>42.7</td>
<td>43.8</td>
<td>44.6</td>
<td>43.2</td>
</tr>
<tr>
<td>Revenue per site per month</td>
<td></td>
<td>260,380</td>
<td>275,647</td>
<td>280,332</td>
<td>274,637</td>
<td>266,165</td>
</tr>
<tr>
<td><strong>Voice</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minutes on the network</td>
<td>Mn</td>
<td>234,224</td>
<td>239,338</td>
<td>230,365</td>
<td>219,152</td>
<td>217,408</td>
</tr>
<tr>
<td>Voice Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>148</td>
<td>154</td>
<td>158</td>
<td>157</td>
<td>153</td>
</tr>
<tr>
<td>Voice Usage per customer</td>
<td>min</td>
<td>417</td>
<td>433</td>
<td>431</td>
<td>419</td>
<td>423</td>
</tr>
<tr>
<td>Voice Realization per minute</td>
<td>paisa</td>
<td>35.4</td>
<td>35.7</td>
<td>36.7</td>
<td>37.5</td>
<td>36.2</td>
</tr>
<tr>
<td><strong>Non Voice Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Mobile revenues</td>
<td>%</td>
<td>16.8%</td>
<td>16.3%</td>
<td>16.2%</td>
<td>15.8%</td>
<td>16.1%</td>
</tr>
<tr>
<td>Of Which</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Messaging &amp; VAS as % of Mobile revenues</td>
<td>%</td>
<td>10.1%</td>
<td>10.8%</td>
<td>11.0%</td>
<td>11.3%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Data as % of Mobile revenues</td>
<td>%</td>
<td>5.2%</td>
<td>4.3%</td>
<td>4.1%</td>
<td>3.5%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Others as % of Mobile revenues</td>
<td>%</td>
<td>1.5%</td>
<td>1.2%</td>
<td>1.1%</td>
<td>1.0%</td>
<td>0.8%</td>
</tr>
<tr>
<td><strong>Data</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data Customer Base</td>
<td>000's</td>
<td>40,600</td>
<td>38,660</td>
<td>35,780</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Of which no. of 3G data customers</td>
<td>000's</td>
<td>4,014</td>
<td>3,713</td>
<td>2,711</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>As % of Customer Base</td>
<td>%</td>
<td>21.8%</td>
<td>20.6%</td>
<td>19.7%</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Total MBs on the network</td>
<td>Mn MBs</td>
<td>15,879</td>
<td>12,566</td>
<td>10,006</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Data Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>43</td>
<td>40</td>
<td>44</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Data Usage per customer</td>
<td>MBs</td>
<td>133</td>
<td>112</td>
<td>107</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Data Realization per MB</td>
<td>paisa</td>
<td>32.4</td>
<td>35.3</td>
<td>40.9</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Telemedia Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telemedia Customers</td>
<td>000's</td>
<td>3,275</td>
<td>3,272</td>
<td>3,270</td>
<td>3,317</td>
<td>3,328</td>
</tr>
<tr>
<td>Of which no. of Broadband (DSL) customers</td>
<td>000's</td>
<td>1,380</td>
<td>1,371</td>
<td>1,369</td>
<td>1,357</td>
<td>1,398</td>
</tr>
<tr>
<td>As % of Customer Base</td>
<td>%</td>
<td>42.1%</td>
<td>41.9%</td>
<td>41.9%</td>
<td>40.9%</td>
<td>42.0%</td>
</tr>
<tr>
<td>Net Additions</td>
<td>000's</td>
<td>3</td>
<td>2</td>
<td>(47)</td>
<td>(11)</td>
<td>7</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>971</td>
<td>962</td>
<td>933</td>
<td>916</td>
<td>955</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>17.6</td>
<td>17.8</td>
<td>18.6</td>
<td>18.1</td>
<td>20.9</td>
</tr>
<tr>
<td>Non Voice Revenue as % of Telemedia Revenues</td>
<td>%</td>
<td>55.4%</td>
<td>54.3%</td>
<td>55.8%</td>
<td>54.8%</td>
<td>52.1%</td>
</tr>
<tr>
<td><strong>Digital TV</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital TV Customers</td>
<td>000's</td>
<td>7,455</td>
<td>7,400</td>
<td>7,228</td>
<td>7,069</td>
<td>6,614</td>
</tr>
<tr>
<td>Net additions</td>
<td>000's</td>
<td>55</td>
<td>172</td>
<td>159</td>
<td>455</td>
<td>352</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>Rs</td>
<td>177</td>
<td>166</td>
<td>166</td>
<td>160</td>
<td>161</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>3.2</td>
<td>3.1</td>
<td>3.3</td>
<td>3.2</td>
<td>3.5</td>
</tr>
<tr>
<td>Monthly Churn</td>
<td>%</td>
<td>1.9%</td>
<td>1.7%</td>
<td>1.2%</td>
<td>1.2%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

Note 26: In the quarter ended Sep 30, 2012, the Group was awarded a favourable order by TDSAT in respect of an outstanding dispute pertaining to inter-connect agreements, for which accounting has been recognized, and for which KPI parameters reflect only the proportion applicable to the quarter ended Sep 30, 2012 with no prior period adjustments.
### A.1.5 Traffic Trends – India

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Services</td>
<td>Mn Min</td>
<td>217,408</td>
<td>219,152</td>
<td>230,365</td>
<td>230,365</td>
<td>234,224</td>
</tr>
<tr>
<td>Telemedia Services</td>
<td>Mn Min</td>
<td>4,598</td>
<td>4,186</td>
<td>4,145</td>
<td>2,415</td>
<td>4,156</td>
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<tr>
<td>National Long Distance Services</td>
<td>Mn Min</td>
<td>20,305</td>
<td>20,551</td>
<td>21,588</td>
<td>23,241</td>
<td>22,997</td>
</tr>
<tr>
<td>International Long Distance Services</td>
<td>Mn Min</td>
<td>3,519</td>
<td>3,529</td>
<td>3,518</td>
<td>3,526</td>
<td>4,340</td>
</tr>
<tr>
<td><strong>Total Minutes on Network (Gross)</strong></td>
<td>Mn Min</td>
<td>245,831</td>
<td>247,418</td>
<td>259,615</td>
<td>269,103</td>
<td>265,717</td>
</tr>
<tr>
<td>Eliminations</td>
<td>Mn Min</td>
<td>(20,660)</td>
<td>(20,904)</td>
<td>(21,926)</td>
<td>(22,525)</td>
<td>(23,282)</td>
</tr>
<tr>
<td><strong>Total Minutes on Network (Net)</strong></td>
<td>Mn Min</td>
<td>225,171</td>
<td>226,514</td>
<td>237,688</td>
<td>246,578</td>
<td>242,435</td>
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</table>

### A.1.6 Coverage and Network Trends - India

<table>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Services</td>
<td>Nos</td>
<td>86.4%</td>
<td>86.6%</td>
<td>86.7%</td>
<td>86.7%</td>
<td>86.4%</td>
</tr>
<tr>
<td>Non-Census Towns &amp; Villages</td>
<td>Nos</td>
<td>86.4%</td>
<td>86.5%</td>
<td>86.6%</td>
<td>86.6%</td>
<td>86.6%</td>
</tr>
<tr>
<td>Population Coverage</td>
<td>%</td>
<td>86.4%</td>
<td>86.5%</td>
<td>86.6%</td>
<td>86.6%</td>
<td>86.6%</td>
</tr>
<tr>
<td>Optic Fibre Network</td>
<td>R Kms</td>
<td>151,719</td>
<td>154,744</td>
<td>157,886</td>
<td>159,762</td>
<td>162,457</td>
</tr>
<tr>
<td>Sites on Network</td>
<td>Nos</td>
<td>18,012</td>
<td>16,162</td>
<td>12,090</td>
<td>12,010</td>
<td>12,933</td>
</tr>
<tr>
<td>Of which no. of 3G sites</td>
<td>Nos</td>
<td>118,044</td>
<td>146,471</td>
<td>154,744</td>
<td>159,762</td>
<td>162,457</td>
</tr>
<tr>
<td>Telemedia Services</td>
<td>Cities covered</td>
<td>87%</td>
<td>87%</td>
<td>87%</td>
<td>87%</td>
<td>87%</td>
</tr>
<tr>
<td>Airtel Business</td>
<td>Nos</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Submarine cable systems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital TV Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Districts Covered</td>
<td>Nos</td>
<td>582</td>
<td>587</td>
<td>609</td>
<td>616</td>
<td>632</td>
</tr>
<tr>
<td>Coverage</td>
<td>%</td>
<td>91%</td>
<td>92%</td>
<td>95%</td>
<td>96%</td>
<td>99%</td>
</tr>
</tbody>
</table>

### A.1.7 Tower Infrastructure Services

**A.1.7.1 Bharti Infratel Consol**

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Towers</td>
<td>Nos</td>
<td>78,859</td>
<td>79,012</td>
<td>79,064</td>
<td>79,012</td>
<td>80,656</td>
</tr>
<tr>
<td>Total Co-locations</td>
<td>Nos</td>
<td>146,548</td>
<td>148,701</td>
<td>149,908</td>
<td>151,458</td>
<td>154,296</td>
</tr>
<tr>
<td><strong>Key Indicators</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing Revenue per sharing operator per month</td>
<td>Rs</td>
<td>34,576</td>
<td>35,021</td>
<td>37,493</td>
<td>37,151</td>
<td>34,449</td>
</tr>
<tr>
<td>Average Sharing Factor</td>
<td>Times</td>
<td>1.85</td>
<td>1.81</td>
<td>1.82</td>
<td>1.82</td>
<td>1.91</td>
</tr>
</tbody>
</table>

**Note 27:** Represents the sum of the number of towers (and the co-locations thereof) owned and operated by Bharti Infratel (as set forth in table A.1.7.2) and 42% of the number of towers (and the co-locations thereof) owned and operated by Indus and includes the towers (and the co-locations thereof) operated by Indus pursuant to the Indefeasible Right to use agreements.

**A.1.7.2 Bharti Infratel Standalone**

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Towers</td>
<td>Nos</td>
<td>59,366</td>
<td>60,357</td>
<td>60,160</td>
<td>60,714</td>
<td>62,027</td>
</tr>
<tr>
<td>Total Co-locations</td>
<td>Nos</td>
<td>146,471</td>
<td>148,701</td>
<td>149,908</td>
<td>151,458</td>
<td>154,296</td>
</tr>
<tr>
<td><strong>Key Indicators</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing Revenue per sharing operator per month</td>
<td>Rs</td>
<td>36,293</td>
<td>37,493</td>
<td>37,151</td>
<td>36,170</td>
<td>36,839</td>
</tr>
<tr>
<td>Average Sharing Factor</td>
<td>Times</td>
<td>1.79</td>
<td>1.82</td>
<td>1.82</td>
<td>1.82</td>
<td>1.91</td>
</tr>
</tbody>
</table>

**Note 28:** Represents Total Towers (and the co-locations thereof) owned and operated by Bharti Infratel and excludes the towers (and the co-locations thereof) operated by Indus pursuant to the Indefeasible Right to use agreements.
### A.1.7.3 Indus Towers

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Towers 29</td>
<td>Nos</td>
<td>110,561</td>
<td>109,539</td>
<td>109,325</td>
<td>109,328</td>
<td>109,204</td>
</tr>
<tr>
<td>Total Co-locations 29</td>
<td>Nos</td>
<td>219,687</td>
<td>216,058</td>
<td>213,685</td>
<td>210,343</td>
<td>207,575</td>
</tr>
<tr>
<td><strong>Key Indicators</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing Revenue per sharing operator per month</td>
<td>Rs</td>
<td>31,711</td>
<td>29,777</td>
<td>32,114</td>
<td>32,083</td>
<td>31,117</td>
</tr>
<tr>
<td>Average Sharing Factor</td>
<td>Times</td>
<td>1.98</td>
<td>1.96</td>
<td>1.94</td>
<td>1.91</td>
<td>1.89</td>
</tr>
</tbody>
</table>

Note 29: Represents Total towers (and the co-locations thereof) owned and operated by Indus and includes the towers (and the co-locations thereof) operated by Indus pursuant to the Indefeasible Right to use agreements.

### A.1.8 Human Resource Analysis - India

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Employees 31</td>
<td>Nos</td>
<td>15,579</td>
<td>15,256</td>
<td>14,935</td>
<td>15,141</td>
<td>15,611</td>
</tr>
<tr>
<td>Number of Customers per employee</td>
<td>Nos</td>
<td>12,623</td>
<td>12,977</td>
<td>12,841</td>
<td>12,287</td>
<td>11,705</td>
</tr>
<tr>
<td>Personnel Cost per employee per month</td>
<td>Rs</td>
<td>118,425</td>
<td>118,119</td>
<td>110,252</td>
<td>104,443</td>
<td>116,451</td>
</tr>
<tr>
<td>Gross Revenue per employee per month 31</td>
<td>Rs</td>
<td>2,896,814</td>
<td>2,935,716</td>
<td>2,937,785</td>
<td>2,843,124</td>
<td>2,661,360</td>
</tr>
</tbody>
</table>

Note 31: Total Employee count of India includes proportionate consolidation of 42% of Indus towers employees. Also refer to note 26.

### A.1.9 Operational Performance – Africa

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Base</td>
<td>000's</td>
<td>58,667</td>
<td>55,855</td>
<td>53,140</td>
<td>50,949</td>
<td>48,437</td>
</tr>
<tr>
<td>VLR</td>
<td>%</td>
<td>85.8%</td>
<td>85.3%</td>
<td>84.5%</td>
<td>87.4%</td>
<td>87.1%</td>
</tr>
<tr>
<td>Net Additions 000's</td>
<td></td>
<td>2,812</td>
<td>2,715</td>
<td>2,191</td>
<td>2,512</td>
<td>2,131</td>
</tr>
<tr>
<td>Pre-Paid (as % of total Customer Base)</td>
<td>%</td>
<td>99.3%</td>
<td>99.3%</td>
<td>99.3%</td>
<td>99.3%</td>
<td>99.3%</td>
</tr>
<tr>
<td>Monthly Churn</td>
<td>%</td>
<td>5.1%</td>
<td>5.1%</td>
<td>5.3%</td>
<td>5.4%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>6.4</td>
<td>6.5</td>
<td>6.8</td>
<td>7.1</td>
<td>7.3</td>
</tr>
<tr>
<td>Total Revenue / Minutes on Network</td>
<td>US¢</td>
<td>4.6</td>
<td>5.4</td>
<td>5.6</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Revenue per site per month</td>
<td>US$</td>
<td>22,872</td>
<td>23,134</td>
<td>24,522</td>
<td>25,225</td>
<td>25,836</td>
</tr>
<tr>
<td><strong>Voice</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minutes on the network</td>
<td>Mn</td>
<td>23,646</td>
<td>19,651</td>
<td>19,131</td>
<td>18,496</td>
<td>17,950</td>
</tr>
<tr>
<td>Voice Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>5.5</td>
<td>5.7</td>
<td>6.1</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Voice Usage per customer</td>
<td>min</td>
<td>138</td>
<td>120</td>
<td>122</td>
<td>125</td>
<td>128</td>
</tr>
<tr>
<td>Voice Realization per minute</td>
<td>US¢</td>
<td>4.0</td>
<td>4.7</td>
<td>5.0</td>
<td>5.2</td>
<td>5.1</td>
</tr>
<tr>
<td><strong>Non Voice Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Mobile revenues</td>
<td>%</td>
<td>13.0%</td>
<td>12.9%</td>
<td>10.6%</td>
<td>9.4%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Of Which</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Messaging &amp; VAS as % of Mobile revenues</td>
<td>%</td>
<td>6.9%</td>
<td>7.0%</td>
<td>5.6%</td>
<td>5.3%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Data as % of Mobile revenues</td>
<td>%</td>
<td>3.6%</td>
<td>3.4%</td>
<td>3.2%</td>
<td>2.5%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Others as % of Mobile revenues</td>
<td>%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>1.8%</td>
<td>1.6%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

### A.1.10 Operational Performance – Africa (in constant currency)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>6.4</td>
<td>6.5</td>
<td>6.7</td>
<td>6.9</td>
<td>6.9</td>
</tr>
<tr>
<td>Total Revenue / Minutes on Network</td>
<td>US¢</td>
<td>4.6</td>
<td>5.4</td>
<td>5.5</td>
<td>5.5</td>
<td>5.4</td>
</tr>
<tr>
<td>Voice Average Revenue Per User (ARPU)</td>
<td>US$</td>
<td>5.5</td>
<td>5.6</td>
<td>6.0</td>
<td>6.2</td>
<td>6.1</td>
</tr>
<tr>
<td>Voice Realization per minute</td>
<td>US¢</td>
<td>4.0</td>
<td>4.7</td>
<td>4.9</td>
<td>5.0</td>
<td>4.8</td>
</tr>
</tbody>
</table>
### A.1.11 Coverage and Network Trends - Africa

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sites on Network</td>
<td>Nos</td>
<td>15,979</td>
<td>15,439</td>
<td>14,831</td>
<td>14,112</td>
<td>13,628</td>
</tr>
<tr>
<td>Of which no. of 3G sites</td>
<td>Nos</td>
<td>5,347</td>
<td>4,787</td>
<td>3,205</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

### A.1.12 Human Resource Analysis - Africa

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Employees</strong></td>
<td>Nos</td>
<td>4,984</td>
<td>4,907</td>
<td>4,792</td>
<td>4,773</td>
<td>5,115</td>
</tr>
<tr>
<td>Number of Customers per employee</td>
<td>Nos</td>
<td>11,771</td>
<td>11,383</td>
<td>11,089</td>
<td>10,674</td>
<td>9,470</td>
</tr>
<tr>
<td>Personnel Cost per employee per month</td>
<td>US$</td>
<td>6,015</td>
<td>5,436</td>
<td>6,006</td>
<td>5,783</td>
<td>5,154</td>
</tr>
<tr>
<td>Gross Revenue per employee per month</td>
<td>US$</td>
<td>73,335</td>
<td>72,831</td>
<td>75,800</td>
<td>73,835</td>
<td>67,138</td>
</tr>
</tbody>
</table>
A.2 Key Accounting Policies as per IFRS

1. Joint Ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control; that is, when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control. The Group reports its interests in jointly controlled entities using proportionate consolidation. The Group’s share of the assets, liabilities, income, expenses and cash flows of jointly controlled entities are combined with the equivalent items in the results on a line-by-line basis in the consolidated financial statements. The financial statements of the joint venture are prepared for the same reporting period as the parent Company. Adjustments are made where ever necessary, to bring the accounting policies in line with those of the Group.

Adjustments are made in the Group’s consolidated financial statements to eliminate the Group’s share of intra-group balances, income and expenses and unrealized gains and losses on transactions between the Group and its jointly controlled entities.

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.

<table>
<thead>
<tr>
<th>Assets</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>20</td>
</tr>
<tr>
<td>Network equipment</td>
<td>3-20</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>3</td>
</tr>
<tr>
<td>Office, furniture and equipment</td>
<td>2 - 5</td>
</tr>
<tr>
<td>Vehicles</td>
<td>3 - 5</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>Remaining period of the lease or 10/20 years, as applicable, whichever is less</td>
</tr>
<tr>
<td>Assets individually costing Rs. 5 thousand or less</td>
<td>1</td>
</tr>
<tr>
<td>Customer premises equipment</td>
<td>5 – 6</td>
</tr>
</tbody>
</table>

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

(l) 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 recognized 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, and related accessories to subscribers. Equipment sales are treated as activation revenue and are deferred and amortized over the customer relationship period.

(iii) Multiple element arrangements

The Group has entered into certain multiple-element revenue arrangements. These arrangements involve the delivery or performance of multiple products, services or rights to use assets including VSAT and internet equipment, internet and satellite services, set top boxes and subscription fees on DTH, indefeasible right to use and hardware and equipment maintenance. The Group evaluates all deliverables in an arrangement to determine whether they represent separate units of accounting at the inception of the arrangement in accordance “Revenue Arrangements with Multiple Deliverables” applying the hierarchy in IAS 8.12. Revenue is determined for each of the units of accounting on the basis of their fair values Arrangements involving the delivery of bundled products or services shall be separated into individual elements, each with own separate revenue contribution. Total arrangement consideration related to the bundled contract is allocated among the different elements based on their relative fair values (i.e., a ratio of the fair value of each element to the aggregated fair value of the bundled deliverables is generated). Where the Group has determined that the fair value of individual element is not ascertainable, equipment sales for these arrangements are deferred and amortized over the term of the arrangement.

9. License fees

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

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

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

10. Other intangible assets

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

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

11. Income-taxes

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

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

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

12. Borrowing costs

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

13. Derivative financial instruments

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

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

14. Asset Retirement Obligations

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

15. Allowance for uncollectible accounts receivable

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

16. Issuance of Stock by Subsidiaries

At the time a subsidiary sells its stock to unrelated parties at a price less than or in excess of its book value, the Company's investment in that subsidiary's net assets changes. The Company's policy is to record such changes in its consolidated statement of changes in equity.
## GLOSSARY

### Technical and Industry Terms

#### Company Related

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>3G</td>
<td>Third Generation of Mobile Telephony.</td>
</tr>
<tr>
<td>3G Customers</td>
<td>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.</td>
</tr>
<tr>
<td>3G Data Customers</td>
<td>A customer who used at least one data session of more than zero Kbs on 3G network in the last 30 days.</td>
</tr>
<tr>
<td>Average Revenue per User (ARPU)</td>
<td>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.</td>
</tr>
<tr>
<td>Asset Turnover</td>
<td>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.</td>
</tr>
<tr>
<td>Average Customers</td>
<td>Average customers are derived by computing the average of the monthly average customers for the relevant period.</td>
</tr>
<tr>
<td>Average Co-locations</td>
<td>Average co-locations are derived by computing the average of the Opening and Closing co-locations for the relevant period. (Erstwhile definition of Average Sharing Operator: Average Sharing Operator is derived by computing the average of the monthly average of sharing operators for the relevant period)</td>
</tr>
<tr>
<td>Average Sharing Factor</td>
<td>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. (Erstwhile definition of Tenancy Ratio: It is computed by dividing average sharing operators by average towers)</td>
</tr>
<tr>
<td>Average Towers</td>
<td>Average towers are derived by computing the average of the Opening and Closing towers for the relevant period (Erstwhile definition: Average towers are derived by computing the average of the monthly average towers for the relevant period)</td>
</tr>
<tr>
<td>Bn</td>
<td>Billion</td>
</tr>
<tr>
<td>Book Value Per Equity Share</td>
<td>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.</td>
</tr>
<tr>
<td>Capex</td>
<td>It includes investment in gross fixed assets and capital work in progress for the quarter.</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>Capital Employed is defined as sum of equity attributable to equity holders of parent and net debt.</td>
</tr>
<tr>
<td>Cumulative Investments</td>
<td>Cumulative Investments comprises of gross value of property, plant &amp; equipment (including CWIP &amp; capital advances) and intangibles including investment in associates.</td>
</tr>
<tr>
<td>Cash Profit From Operations before Derivative &amp; Exchange Fluctuation</td>
<td>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 &amp; exchange (gain)/ loss.</td>
</tr>
<tr>
<td>Churn</td>
<td>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.</td>
</tr>
<tr>
<td>Co-locations</td>
<td>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. (Erstwhile definition of Tenancies: It is the sum of all operators sharing total towers)</td>
</tr>
<tr>
<td><strong>Customer Base</strong></td>
<td>Customer who made at least one revenue generating call or a data session of more than zero Kbs on 2G / 3G network in the last 30 days.</td>
</tr>
<tr>
<td><strong>Customers Per Employee</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Data as % of Mobile Revenue</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Data ARPU</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Data Customer Base</strong></td>
<td>A customer who used at least one data session of more than 0 Kbs on GPRS / 3G network in the last 30 days.</td>
</tr>
<tr>
<td><strong>Data Usage per Customer</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Data Realization per MB</strong></td>
<td>It is computed by dividing the Data revenues by total MBs consumed on the network.</td>
</tr>
<tr>
<td><strong>DTH / Digital TV Services</strong></td>
<td>Direct to Home broadcast service</td>
</tr>
<tr>
<td><strong>Earnings Per Basic Share.</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Earnings Per Diluted Share</strong></td>
<td>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).</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>Earnings / (Loss) before interest, taxation for the relevant period.</td>
</tr>
<tr>
<td><strong>Enterprise Valuation (EV)</strong></td>
<td>Calculated as sum of Market Capitalization plus Net Debt as at the end of the relevant period.</td>
</tr>
<tr>
<td><strong>EV / EBITDA (times)</strong></td>
<td>Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (annualized).</td>
</tr>
<tr>
<td><strong>Gross Revenue per Employee per month</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>ILD</strong></td>
<td>International Long Distance Services.</td>
</tr>
<tr>
<td><strong>Intangibles</strong></td>
<td>Comprises of goodwill, software, bandwidth, one-time entry fee paid towards acquisition of licenses, distribution network and customer relationships.</td>
</tr>
<tr>
<td><strong>Interest Coverage Ratio</strong></td>
<td>EBITDA for the relevant period divided by interest on borrowing for the relevant period.</td>
</tr>
<tr>
<td><strong>IPTV</strong></td>
<td>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.</td>
</tr>
</tbody>
</table>
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 Network 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 transceivers (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 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.

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, 2010, 2011 and 2012. 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, 2010, 2011 and 2012, 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.  
(Erstwhile definition: It is computed by dividing gross revenue less energy & other pass through, from Tower Infrastructure services by average sharing operators)

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.  
(Erstwhile definition: It is the sum of ground based towers, roof top towers and others)

TSP  
Telecom Service Provider

Total Operating Expenses  
It is defined as sum of equipment costs, 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
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCK</td>
<td>Communications Commission of Kenya</td>
</tr>
<tr>
<td>DoT</td>
<td>Department of Telecommunications</td>
</tr>
<tr>
<td>IP</td>
<td>Internet Protocol</td>
</tr>
<tr>
<td>QoS</td>
<td>Quality of Service</td>
</tr>
<tr>
<td>TRAI</td>
<td>Telecom Regulatory Authority of India</td>
</tr>
<tr>
<td>UAS</td>
<td>Unified Access Service</td>
</tr>
<tr>
<td>UASL</td>
<td>Unified Access Service License</td>
</tr>
<tr>
<td>USSD</td>
<td>Unstructured Supplementary Services Data</td>
</tr>
<tr>
<td>VSAT</td>
<td>Very Small Aperture Terminals</td>
</tr>
</tbody>
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### Others (Industry)

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>BSE</td>
<td>The Stock Exchange, Mumbai</td>
</tr>
<tr>
<td>CMAI</td>
<td>Communication Multimedia &amp; Infrastructure</td>
</tr>
<tr>
<td>RBI</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>GSM</td>
<td>Global System for Mobile Communications.</td>
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<tr>
<td>CDMA</td>
<td>Code Division Multiple Access</td>
</tr>
<tr>
<td>DSL</td>
<td>Digital Subscriber Line</td>
</tr>
<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
</tr>
<tr>
<td>GAAP</td>
<td>Generally Accepted Accounting Principles</td>
</tr>
<tr>
<td>MMS</td>
<td>Multimedia Messaging Service</td>
</tr>
<tr>
<td>IAS</td>
<td>International Accounting Standards</td>
</tr>
<tr>
<td>IFRS</td>
<td>International Financial Reporting Standards</td>
</tr>
<tr>
<td>NSE</td>
<td>The National Stock Exchange of India Limited.</td>
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<tr>
<td>Sensex</td>
<td>Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986.</td>
</tr>
<tr>
<td>SMS</td>
<td>Short Messaging Service.</td>
</tr>
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Written correspondence to be sent to:
Bharti Airtel Limited
Investor Relations
ir@bharti.in
http://www.airtel.in