

Quarterly report on the results for the third quarter and nine months ended December 31, 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

airtel ranked the No. 1 service brand in Brand Equity's list of 'Most Trusted Brands'
Bharti Infratel becomes first tower company to get listed
airtel Africa in partnership with vendor wins award for Hybrid Power Solution



February 01, 2013

The financial statements included in this quarterly report fairly presents in all material respects the financial position, results of operations, cash flow of the company as of, and for the periods presented in this report.

Supplemental Disclosures

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or basis almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or basis and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

General Risk: - Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Bharti Airtel, along with the equity investment risk which doesn't guarantee capital protection.

Convenience translation: - We publish our financial statements in Indian Rupees. All references herein to “Indian Rupees” and “Rs” are to Indian Rupees and all references herein to “US dollars” and “US\$” are to United States dollars. Translation of income statement items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the respective quarter average rate. Translation of Statement of financial position items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the closing rate. The rates announced by the Reserve Bank of India are being used as the Reference rate for respective translations. All amounts translated into United States dollars as described above are provided solely for the convenience of the reader, and no representation is made that the Indian Rupees or United States dollar amounts referred to herein could have been or could be converted into United States dollars or Indian Rupees respectively, as the case may be, at any particular rate, the above rates or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Functional Translation (Africa): - 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

Others: In this report, the terms “we”, “us”, “our”, “Bharti”, or “the Company”, unless otherwise specified or the context otherwise implies,

refer to Bharti Airtel Limited (“Bharti Airtel”) and its subsidiaries, Bharti Hexacom Limited (“Bharti Hexacom”), Bharti Airtel Services Limited, Bharti Infratel Limited (Bharti Infratel), Bharti Infratel Ventures Limited (subsidiary of Bharti Infratel Limited), Bharti Telemedia Limited (Bharti Telemedia), Bharti Airtel (USA) Limited, Bharti Airtel (UK) Limited, Bharti Airtel (Canada) Limited, Bharti Airtel (Hong Kong) Limited, Bharti Airtel Lanka (Private) Limited, Network i2i Limited, Bharti Airtel Holdings (Singapore) Pte Limited, Bharti Infratel Lanka (Private) Limited (subsidiary of Bharti Airtel Lanka (Private) Limited), Bharti Airtel International (Netherlands) B.V., Bharti International (Singapore) Pte Ltd, Airtel Bangladesh Limited, Airtel M Commerce Services Limited, Bharti Airtel (Japan) Kabushiki Kaisha, Bharti Airtel (France) SAS, Bharti Airtel International (Mauritius) Limited, Indian Ocean Telecom Limited, Airtel (Seychelles) Limited, Bharti Airtel Africa B.V., Bharti Airtel Acquisition Holdings B.V., Bharti Airtel Burkina Faso Holdings B.V., Bharti Airtel Cameroon Holdings B.V., Bharti Airtel Chad Holdings B.V., Bharti Airtel Congo Holdings B.V., Bharti Airtel Gabon Holdings B.V., Bharti Airtel Ghana Holdings B.V., Bharti Airtel Kenya B.V., Bharti Airtel Kenya Holdings B.V., Bharti Airtel Madagascar Holdings B.V., Bharti Airtel Malawi Holdings B.V., Bharti Airtel Mali Holdings B.V., Bharti Airtel Niger Holdings B.V., Bharti Airtel Nigeria B.V., Bharti Airtel Nigeria Holdings B.V., Bharti Airtel Nigeria Holdings II B.V., Bharti Airtel RDC Holdings B.V., Bharti Airtel Services B.V., Bharti Airtel Sierra Leone Holdings B.V., Bharti Airtel Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Airtel Burkina Faso S.A., Airtel Congo S.A., Celtel Congo RDC S.a.r.l., Airtel Gabon S.A., Airtel (Ghana) Limited, Airtel Networks Kenya Limited, Airtel Madagascar S.A., Airtel Malawi Limited, Celtel Niger S.A., Airtel Networks Limited, Airtel Tanzania Limited, Airtel Uganda Limited, Celtel Zambia plc, Bharti Airtel DTH Holdings B.V., Celtel Cameroon SA, Partnership Investments Sprl, MSI-Celtel Nigeria Limited, Celtel (Mauritius) Holdings Limited, Channel Sea Management Co Mauritius Limited, Montana International, Zap Trust Company Nigeria Limited, Airtel Mobile Commerce Tchad SARL, ZMP Ltd. (Zambia), Airtel Mobile Commerce Limited (Malawi), Airtel Mobile Commerce Ghana Limited, Airtel Mobile Commerce Kenya Limited, Airtel Money Niger S.A., Airtel Mobile Commerce (SL) Limited, Africa Towers N.V., Airtel DTH Services Ghana Limited, Airtel DTH Services Malawi Limited, Airtel DTH Services Uganda Limited, Airtel Towers (Ghana) Limited, Malawi Towers Limited, Airtel Money S.A. (Gabon), Société Malgache de Telephonie Cellulaire SA, Uganda Towers Limited, Airtel Mobile Commerce Tanzania Limited, Airtel (SL) Limited, Airtel DTH Services (Kenya) Limited, Airtel DTH Services (Sierra Leone) Limited, Airtel DTH Services Burkina Faso S.A., Airtel DTH Services Congo (RDC)S.p.r.l., Airtel DTH Services Congo S.A., Airtel DTH Services Gabon S.A., Airtel DTH Services Madagascar S.A., Airtel DTH Services Niger S.A., Airtel DTH Services Nigeria Limited, Airtel DTH Services T.Chad S.A., Airtel DTH Services Tanzania Limited, Bharti DTH Services Zambia Limited, Airtel Money (RDC) S.p.r.l, Burkina Faso Towers S.A., Congo RDC Towers S.p.r.l., Congo Towers S.A., Gabon Towers S.A., Kenya Towers Limited, Madagascar Towers S.A., Mobile Commerce Congo S.A., Niger Towers S.A., Tanzania Towers Limited, Tchad Towers S.A., Towers Support Nigeria Limited, Bharti Airtel Developers Forum Ltd., Bangladesh Infratel Networks Limited, Africa Towers Services Limited, Airtel Mobile Commerce B.V., Airtel Mobile Commerce Burkina Faso S.A., Airtel Mobile Commerce Holdings B.V., Airtel Mobile Commerce Madagascar S.A., Airtel Mobile Commerce Uganda Limited, Airtel Rwanda Limited, Airtel Towers (S.L.) Company Limited, Bharti Airtel Cameroon B.V., Airtel Tchad S.A., Rwanda Towers Limited, Zambian Towers Limited, Zebrano (Mauritius) Limited.

Disclaimer: - This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.

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Section 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	UNITS	Full Year Ended			Quarter Ended				
		2010	2011	2012	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012
Operating Highlights									
Total Customer Base	000's	137,013	220,877	251,646	243,336	251,646	260,710	262,555	262,275
Total Minutes on Network	Mn Min	643,109	890,093	1,020,615	252,972	265,235	274,616	274,820	284,041
Sites on Network	Nos	107,443	131,304	141,059	137,826	141,059	147,010	151,219	152,491
Total Employees ³	Nos	18,791	23,371	20,479	20,675	20,479	20,892	21,299	23,413
No. of countries of operation	Nos	3	19	20	19	20	20	20	20
Population Covered	Bn	1.36	1.83	1.84	1.84	1.84	1.84	1.85	1.85
Consolidated Financials (Rs Mn)									
Total Revenue	Rs Mn	418,948	595,383	714,508	184,767	187,294	193,501	202,732	202,395
EBITDA	Rs Mn	168,149	200,718	237,123	59,584	62,329	58,487	63,508	61,839
EBIT	Rs Mn	105,317	98,652	103,442	23,739	27,646	20,916	24,948	22,834
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	162,817	180,581	204,836	51,576	53,581	48,671	53,539	50,995
Profit / (Loss) before Tax	Rs Mn	105,091	76,782	65,183	15,806	17,056	12,629	14,729	9,515
Net income	Rs Mn	89,768	60,467	42,594	10,113	10,059	7,622	7,212	2,837
Capex	Rs Mn	96,431	140,100	135,804	21,233	23,801	35,758	40,549	23,826
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	71,718	60,617	101,319	38,352	38,528	22,729	22,959	38,013
Net Debt	Rs Mn	23,920	599,512	650,394	677,628	650,394	682,983	667,600	642,825
Shareholder's Equity	Rs Mn	421,940	487,668	506,113	491,733	506,113	495,150	493,070	516,274
Consolidated Financials (US\$ Mn)									
Total Revenue ¹	US\$ Mn	8,797	13,063	14,937	3,649	3,723	3,583	3,673	3,719
EBITDA ¹	US\$ Mn	3,531	4,403	4,957	1,177	1,239	1,083	1,151	1,136
EBIT ¹	US\$ Mn	2,211	2,163	2,162	469	550	387	452	420
Cash profit from operations before Derivative & Exchange Fluctuations ¹	US\$ Mn	3,419	3,961	4,282	1,019	1,065	901	970	937
Profit / (Loss) before Tax ¹	US\$ Mn	2,207	1,682	1,363	312	339	234	267	175
Net income ¹	US\$ Mn	1,885	1,325	890	200	200	141	131	52
Capex ¹	US\$ Mn	2,025	3,072	2,839	419	473	662	735	438
Operating Free Cash Flow (EBITDA - Capex)	US\$ Mn	1,506	1,330	2,118	757	766	421	416	699
Net Debt ²	US\$ Mn	530	13,427	12,714	12,722	12,714	12,129	12,669	11,735
Shareholder's Equity ²	US\$ Mn	9,347	10,922	9,893	9,232	9,893	8,793	9,357	9,425
Key Ratios									
EBITDA Margin	%	40.1%	33.7%	33.2%	32.2%	33.3%	30.2%	31.3%	30.6%
EBIT Margin	%	25.1%	16.6%	14.5%	12.8%	14.8%	10.8%	12.3%	11.3%
Net Profit Margin	%	21.4%	10.2%	6.0%	5.5%	5.4%	3.9%	3.6%	1.4%
Net Debt to Funded Equity Ratio	Times	0.06	1.23	1.29	1.38	1.29	1.38	1.35	1.25
Net Debt to EBITDA (LTM) - US\$	Times	0.15	2.95	2.56	2.58	2.56	2.54	2.72	2.55
Net Debt to EBITDA (Annualised) - US\$	Times	0.15	2.95	2.56	2.71	2.56	2.80	2.75	2.58
Interest Coverage ratio	Times	30.66	11.20	8.40	8.08	7.55	6.29	6.40	6.35
Return on Shareholder's Equity	%	24.5%	13.3%	8.6%	9.5%	8.6%	7.7%	7.1%	5.6%
Return on Capital employed	%	20.7%	10.8%	7.2%	7.3%	7.2%	6.6%	6.2%	6.0%
Valuation Indicators									
Market Capitalization	Rs Bn	1,184	1,358	1,279	1,302	1,279	1,158	1,006	1,203
Market Capitalization	US\$ Bn	26.2	30.4	25.0	24.4	25.0	20.6	19.1	22.0
Enterprise Value	Rs Bn	1,172	1,957	1,929	1,980	1,929	1,841	1,673	1,846
EV / EBITDA (Annualised)	Times	6.97	9.75	8.14	8.31	7.74	7.87	6.59	7.46

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. 50.63 for the quarter ended December 31, 2011 (e) Rs. 50.30 for the quarter ended March 31, 2012 (f) Rs. 54.00 for the quarter ended June 30, 2012 (g) Rs. 55.19 for the quarter ended September 30, 2012 (h) Rs. 54.42 for the quarter ended December 31, 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 53.27 for the quarter ended December 31, 2011 (e) Rs. 56.31 for the quarter ended June 30, 2012 (f) Rs. 52.70 for the quarter ended September 30, 2012 (g) Rs. 54.78 for the quarter ended December 31, 2012 being the RBI Reference rate.

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 million customers as of December 31, 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 189 million customers in these geographies.

In India, we have 182 million mobile customers as on December 31, 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 1.4 million outlets. Our network is present in 5,121 census towns and 458,727 non-census towns and villages in India, covering approximately 86.7% of the country's population. We also provide 3G services in key cities of the country offering host of innovative services to our customers like Mobile TV, video calls, live streaming of videos, gaming along with access to high speed internet. We have 6.8 million active 3G customers of which 5.2 million are active 3G data customers as on December 31, 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 166,506 Rkms of optical fibre, thereby providing a pan India reach.

Airtel Sri Lanka has 1.7 million customers with presence in all 25 administrative districts of Sri Lanka. We have launched 3.5G services in major towns and have created a nationwide distribution network comprising of over 42,000 retailers.

Airtel Bangladesh has 5.8 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 75% 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 December 31, 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 7.9 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 324 channels including 15 HD channels and 6 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 is India's leading and most trusted provider of ICT services that provides a diverse portfolio of services including voice, data, video, network integration, data center, managed services, enterprise mobility applications and digital media. Airtel business consistently delivers cutting edge integrated solutions, superior customer service and unmatched depth/reach to global markets, to enterprises, governments, carriers and small & medium businesses.

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

It offers global services for both voice and data including voice termination, VAS services like ITFS, SMS hubbing and

connectivity services. Further, its strategically located submarine cable systems across the world and satellite connectivity in hard to reach areas enable the customers connect and communicate from anywhere to everywhere in the world.

The airtel global network runs across 225,000 Rkms, covering 50 countries and 5 continents. Airtel's international infrastructure includes ownership of i2i submarine cable system connecting Chennai to Singapore, consortium ownership of SMW4 submarine cable system connecting Chennai and Mumbai to Singapore and Europe, and new cable system investments like Asia America Gateway (AAG), India Middle East & Western Europe (IMEWE), Unity, EIG (Europe India Gateway) and East Africa Submarine System (EASSy). It also has terrestrial express connectivity to neighboring countries including Nepal, Pakistan, Bhutan and China.

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

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

We have a nationwide presence with operations in all 22 telecommunications Circles in India, with Bharti Infratel's and Indus' operations overlapping in four telecommunications Circles. As of December 31, 2012, Bharti Infratel owned and operated 34,668 towers in 11 telecommunications Circles while Indus operated 111,240 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 81,389 towers in India as of December 31, 2012.

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

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 61.7 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 a focus on 3G data and m-Commerce continues to be the next growth frontier. Airtel continues 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 in 15 countries across Africa.

2.3 Partners

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

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

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

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

We have also entered into Supply & Services Contracts for enhanced packet core with Cisco, NSN & Huawei. These partners will design, deploy and maintain a state of the art packet core system to handle data traffic from 2G, 3G & LTE access networks.

For Wi-Fi, we have selected Cisco, Ericsson & Alcatel Lucent-Ruckus combine.

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, Comverse, 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.

SECTION 3

FINANCIAL HIGHLIGHTS

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

Detailed financial statements, analysis & other related information is attached to this report (page 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)

Particulars	Quarter Ended			Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
	<i>Amount in Rs mn, except ratios</i>					
Total revenues	202,395	184,767	10%	598,628	527,214	14%
EBITDA	61,839	59,584	4%	183,834	174,794	5%
<i>EBITDA / Total revenues</i>	<i>30.6%</i>	<i>32.2%</i>		<i>30.7%</i>	<i>33.2%</i>	
EBIT	22,834	23,739	-4%	68,698	75,796	-9%
Finance cost (net)	13,319	7,877	69%	31,749	27,612	15%
Profit / (Loss) before Tax	9,515	15,806	-40%	36,873	48,127	-23%
Income tax expense ⁵	6,675	5,585	20%	19,267	15,626	23%
Net income / (loss) ⁵	2,837	10,113	-72%	17,671	32,535	-46%
Capex	23,826	21,233	12%	100,132	112,003	-11%
Operating Free Cash Flow (EBITDA - Capex)	38,013	38,352	-1%	83,702	62,791	33%
Cumulative Investments	1,930,944	1,779,105	9%	1,930,944	1,779,105	9%

Note 5: During the quarter ended September 30, 2012, the Group had 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 period of nine months ended December 31, 2012 are higher by Rs 657 million and the net income is lower by Rs 566 million.

3.1.2 Consolidated Summarized Statement of Financial Position

Particulars	<i>Amount in Rs mn</i>	
	As at December 31, 2012	As at March 31, 2012
Assets		
Non-current assets	1,478,549	1,422,532
Current assets	230,277	148,084
Total assets	1,708,826	1,570,616
Non-current liabilities	666,854	547,935
Current liabilities	483,717	488,873
Total liabilities	1,150,571	1,036,808
Equity & Minority Interest		
Equity	516,274	506,113
Non-Controlling Interest	41,981	27,695
Total Equity & Minority Interest	558,255	533,808
Total Equity and liabilities	1,708,826	1,570,616

3.2 Region wise - Summary of Consolidated Financial Statements

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

Amount in Rs mn, except ratios

Particulars	Quarter Ended Dec 2012			Quarter Ended Dec 2011			Nine Months Ended Dec 2012			Nine Months Ended Dec 2011		
	India & SA	Africa	Total	India & SA	Africa	Total	India & SA	Africa	Total	India & SA	Africa	Total
Total revenues	142,672	61,694	202,395	131,628	53,577	184,767	424,036	179,792	598,628	384,724	144,393	527,214
EBITDA	45,456	16,383	61,839	45,225	14,351	59,584	136,137	47,720	183,834	136,959	37,807	174,794
<i>EBITDA / Total revenues</i>	<i>31.9%</i>	<i>26.6%</i>	<i>30.6%</i>	<i>34.4%</i>	<i>26.8%</i>	<i>32.2%</i>	<i>32.1%</i>	<i>26.5%</i>	<i>30.7%</i>	<i>35.6%</i>	<i>26.2%</i>	<i>33.2%</i>
EBIT	18,428	4,406	22,834	20,733	2,999	23,739	56,514	12,208	68,698	66,730	9,038	75,796
Net income / (loss)	8,041	(5,204)	2,837	12,703	(2,599)	10,113	34,935	(17,241)	17,671	42,388	(9,881)	32,535
Capex	15,155	8,671	23,826	7,815	13,418	21,233	73,420	26,713	100,132	53,145	58,858	112,003
Operating Free Cash Flow (EBITDA - Capex)	30,301	7,712	38,013	37,410	933	38,352	62,717	21,008	83,702	83,814	(21,050)	62,791
Cumulative Investments	1,195,534	735,409	1,930,944	1,084,010	695,095	1,779,105	1,195,534	735,409	1,930,944	1,084,010	695,095	1,779,105

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs mn

Particulars	As at Dec 31, 2012			
	India & SA	Africa	Eliminations	Total
Assets				
Non-current assets	936,938	687,160	(145,549)	1,478,549
Current assets	187,552	53,537	(10,812)	230,277
Total assets	1,124,490	740,697	(156,361)	1,708,826
Liabilities				
Non-current liabilities	202,385	464,469	-	666,854
Current liabilities	280,518	214,011	(10,812)	483,717
Total liabilities	482,903	678,480	(10,812)	1,150,571
Equity & Minority Interest				
Equity	597,835	63,988	(145,549)	516,274
Minority Interest	43,752	(1,771)	-	41,981
Total Equity & Minority Interest	641,587	62,217	(145,549)	558,255
Total Equity and liabilities	1,124,490	740,697	(156,361)	1,708,826

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.

Particulars	Quarter Ended			Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
	<i>Amount in Rs mn, except ratios</i>					
Total revenues	109,364	101,764	7%	327,382	297,995	10%
EBITDA	33,083	34,431	-4%	99,871	100,971	-1%
<i>EBITDA / Total revenues</i>	<i>30.3%</i>	<i>33.8%</i>		<i>30.5%</i>	<i>33.9%</i>	
EBIT	16,713	20,176	-17%	52,163	60,806	-14%
Capex	7,029	1,878	274%	43,785	27,341	60%
Operating Free Cash Flow (EBITDA - Capex)	26,054	32,554	-20%	56,085	73,630	-24%
Cumulative Investments	757,295	674,005	12%	757,295	674,005	12%

Note 6: 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

Particulars	Quarter Ended			Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
	<i>Amount in Rs mn, except ratios</i>					
Total revenues	9,566	9,128	5%	28,537	28,112	2%
EBITDA	4,165	3,542	18%	12,014	12,059	0%
<i>EBITDA / Total revenues</i>	<i>43.5%</i>	<i>38.8%</i>		<i>42.1%</i>	<i>42.9%</i>	
EBIT	1,642	1,287	28%	4,778	5,632	-15%
Capex	2,244	1,470	53%	5,817	5,930	-2%
Operating Free Cash Flow (EBITDA - Capex)	1,921	2,072	-7%	6,197	6,129	1%
Cumulative Investments	99,016	91,792	8%	99,016	91,792	8%

Note 7: 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

Particulars	Quarter Ended			Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
	<i>Amount in Rs mn, except ratios</i>					
Total revenues	4,280	3,327	29%	11,875	9,395	26%
EBITDA	147	90	63%	156	257	-39%
<i>EBITDA / Total revenues</i>	<i>3.4%</i>	<i>2.7%</i>		<i>1.3%</i>	<i>2.7%</i>	
EBIT	(1,828)	(1,955)	6%	(6,321)	(5,254)	-20%
Capex	1,351	1,503	-10%	6,222	7,128	-13%
Operating Free Cash Flow (EBITDA - Capex)	(1,204)	(1,413)	15%	(6,065)	(6,871)	12%
Cumulative Investments	39,245	32,586	20%	39,245	32,586	20%

B2B Services

3.3.4 Airtel Business

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
Total revenues	14,219	11,881	20%	40,059	33,332	20%
EBITDA	2,298	2,008	14%	6,409	6,682	-4%
<i>EBITDA / Total revenues</i>	<i>16.2%</i>	<i>16.9%</i>		<i>16.0%</i>	<i>20.0%</i>	
EBIT	888	713	25%	2,249	2,448	-8%
Capex	139	458	-70%	763	869	-12%
Operating Free Cash Flow (EBITDA - Capex)	2,159	1,550	39%	5,646	5,813	-3%
Cumulative Investments	42,806	44,404	-4%	42,806	44,404	-4%

3.3.5 Tower Infrastructure Services

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
Total revenues	26,350	24,393	8%	75,965	70,926	7%
EBITDA	9,761	9,110	7%	28,125	26,597	6%
<i>EBITDA / Total revenues</i>	<i>37.0%</i>	<i>37.3%</i>		<i>37.0%</i>	<i>37.5%</i>	
EBIT	4,200	3,758	12%	11,710	10,711	9%
Capex	4,062	2,440	66%	14,025	10,299	36%
Operating Free Cash Flow (EBITDA - Capex)	5,699	6,670	-15%	14,101	16,298	-13%
Cumulative Investments	246,740	231,533	7%	246,740	231,533	7%

Others

3.3.6 Others (India & South Asia)

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
Total revenues	782	666	17%	2,545	2,316	10%
EBITDA	(3,010)	(3,139)	4%	(7,754)	(7,175)	-8%
EBIT	(3,192)	(3,243)	2%	(8,152)	(7,575)	-8%
Capex	330	66	400%	2,810	1,579	78%
Operating Free Cash Flow (EBITDA - Capex)	(3,340)	(3,205)	-4%	(10,563)	(8,754)	-21%
Cumulative Investments	10,432	9,690	8%	10,432	9,690	8%

Includes corporate office and other support units.

AFRICA

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

Particulars	Quarter Ended			Amount in US \$ mn, except ratios Nine Months Ended		
	Dec-12	Dec-11	Y-on-Y Growth	Dec-12	Dec-11	Y-on-Y Growth
	Total revenues	1,133	1,057	7%	3,296	3,066
EBITDA	300	282	6%	873	799	9%
<i>EBITDA / Total revenues</i>	26.5%	26.7%		26.5%	26.1%	
EBIT	80	58	38%	222	190	17%
Capex	160	265	-40%	489	1,260	-61%
Operating Free Cash Flow (EBITDA - Capex)	140	17	709%	384	(461)	183%
Cumulative Investments	13,425	13,049	3%	13,425	13,049	3%

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

Note 9: In constant currency terms, reported revenues of \$ 1,133 million for the quarter ended Dec'12 against \$ 1,017 million in the same quarter last year, represents a growth of 11.5%. (Refer page 36 for revenues in constant currency)

3.4 Region wise & Segment wise Investment & Contribution

3.4.1 India and South Asia

Amount in Rs mn, except ratios

Segment	Quarter Ended Dec 2012						As at Dec 31, 2012	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services ¹⁰	109,364	77%	33,083	73%	7,029	46%	757,295	63%
Telemedia Services	9,566	7%	4,165	9%	2,244	15%	99,016	8%
Digital TV Services	4,280	3%	147	0%	1,351	9%	39,245	3%
Airtel Business	14,219	10%	2,298	5%	139	1%	42,806	4%
Tower Infrastructure Services	26,350	18%	9,761	21%	4,062	27%	246,740	21%
Others	782	1%	(3,010)	-7%	330	2%	10,432	1%
Sub Total	164,561	115%	46,444	102%	15,155	100%	1,195,534	100%
Eliminations	(21,889)	-15%	(988)	-2%	-	0%		
Accumulated Depreciation And Amortization							(456,789)	
Total (India & SA)	142,672	100%	45,456	100%	15,155	100%	738,745	
Consolidated	202,395		61,839		23,826		1,930,944	
% of Consolidated	70%		74%		64%		62%	

Amount in Rs mn, except ratios

Segment	Nine Months Ended Dec 2012						As at Dec 31, 2012	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services ¹⁰	327,382	77%	99,871	73%	43,785	60%	757,295	63%
Telemedia Services	28,537	7%	12,014	9%	5,817	8%	99,016	8%
Digital TV Services	11,875	3%	156	0%	6,222	8%	39,245	3%
Airtel Business	40,059	9%	6,409	5%	763	1%	42,806	4%
Tower Infrastructure Services	75,965	18%	28,125	21%	14,025	19%	246,740	21%
Others	2,545	1%	(7,754)	-6%	2,810	4%	10,432	1%
Sub Total	486,363	115%	138,821	102%	73,420	100%	1,195,534	100%
Eliminations	(62,327)	-15%	(2,684)	-2%	-	0%		
Accumulated Depreciation And Amortization							(456,789)	
Total (India & SA)	424,036	100%	136,137	100%	73,420	100%	738,745	
Consolidated	598,628		183,834		100,132		1,930,944	
% of Consolidated	71%		74%		73%		62%	

Note 10: Cumulative Investments includes National optic fibre network.

3.4.2 Africa

Amount in US\$ mn, except ratios

Segment	Quarter Ended Dec 2012						As at Dec 31, 2012	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Consolidated Africa	1,133	100%	300	100%	160	100%	13,425	100%
Accumulated Depreciation And Amortization							(1,730)	
Total (Africa)	1,133	100%	300	100%	160	100%	11,695	
% of Consolidated	30%		26%		36%		38%	

Amount in US\$ mn, except ratios

Segment	Nine Months Ended Dec 2012						As at Dec 31, 2012	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Consolidated Africa	3,296	100%	873	100%	489	100%	13,425	100%
Accumulated Depreciation And Amortization							(1,730)	
Total (Africa)	3,296	100%	873	100%	489	100%	11,695	
% of Consolidated	29%		26%		27%		38%	

SECTION 4
OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, Realization per Minute, Revenue per Site, Non Voice revenue, Messaging & VAS revenue, Data revenue, Others revenue, Gross revenue per employee per month, Personnel cost per employee per month are based on IFRS.

4.1 Customers and Non Voice % - Consolidated

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Mobile Services	000's	251,103	251,825	0%	232,950	8%
India & South Asia	000's	189,416	193,158	-2%	182,000	4%
Africa	000's	61,687	58,667	5%	50,949	21%
Telemedia Services	000's	3,278	3,275	0%	3,317	-1%
Digital TV Services	000's	7,894	7,455	6%	7,069	12%
Total	000's	262,275	262,555	0%	243,336	8%
Non Voice Revenue as a % of Total Revenues	%	28.5%	27.2%		25.4%	

Note 11: 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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Mobile Services	Mn Min	276,218	266,780	4%	245,611	12%
India & South Asia	Mn Min	250,044	243,134	3%	227,115	10%
Africa	Mn Min	26,174	23,646	11%	18,496	42%
Telemedia Services	Mn Min	3,958	4,156	-5%	4,186	-5%
National Long Distance Services	Mn Min	23,216	22,997	1%	20,551	13%
International Long Distance Services	Mn Min	4,303	4,340	-1%	3,529	22%
Total Minutes on Network (Gross)	Mn Min	307,695	298,273	3%	273,876	12%
Eliminations	Mn Min	(23,654)	(23,453)	1%	(20,904)	13%
Total Minutes on Network (Net)	Mn Min	284,041	274,820	3%	252,972	12%

4.3 Mobile Services India

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Customer Base	000's	181,922	185,922	-2%	175,653	4%
VLR	%	95.0%	91.5%		90.0%	
Net Additions	000's	(4,000)	(1,380)	-190%	2,870	-239%
Pre-Paid (as % of total Customer Base)	%	95.8%	96.0%		96.3%	
Monthly Churn	%	5.9%	8.5%		7.9%	
Average Revenue Per User (ARPU)	Rs	185	177	4%	187	-1%
Average Revenue Per User (ARPU)	US\$	3.4	3.2	6%	3.7	-8%
Total Revenue / Minutes on Network	paisa	42.5	42.6	0%	44.6	-5%
Revenue per site per month	Rs	261,900	260,380	1%	274,637	-5%
Voice						
Minutes on the network	Mn	240,814	234,224	3%	219,152	10%
Voice Average Revenue Per User (ARPU)	Rs	153	148	4%	157	-3%
Voice Usage per customer	min	435	417	4%	419	4%
Voice Realization per minute	paisa	35.2	35.4	-1%	37.5	-6%
Non Voice Revenue						
% of Mobile revenues	%	17.3%	16.8%		15.8%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.9%	10.1%		11.3%	
Data as % of Mobile revenues	%	5.7%	5.2%		3.5%	
Others as % of Mobile revenues	%	1.7%	1.5%		1.0%	
Data						
Data Customer Base	000's	41,480	40,600	2%	NA	NA
<i>Of which no. of 3G data customers</i>	000's	5,187	4,014	29%	NA	NA
<i>As % of Customer Base</i>	%	22.8%	21.8%		NA	
Total MBs on the network	Mn MBs	19,777	15,879	25%	NA	NA
Data Average Revenue Per User (ARPU)	Rs	47	43	9%	NA	NA
Data Usage per customer	MBs	161	133	21%	NA	NA
Data Realization per MB	paisa	29.3	32.4	-9%	NA	NA

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

4.4 Telemedia Services

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Telemedia Customers	000's	3,278	3,275	0%	3,317	-1%
<i>Of which no. of broadband (DSL) customers</i>	000's	1,382	1,380	0%	1,357	2%
<i>As % of Customer Base</i>	%	42.2%	42.1%		40.9%	
Net additions	000's	4	3	42%	(11)	134%
Average Revenue Per User (ARPU)	Rs	973	971	0%	916	6%
Average Revenue Per User (ARPU)	US\$	17.9	17.6	2%	18.1	-1%
Non Voice Revenue as % of Telemedia revenues	%	57.6%	55.4%	4%	54.8%	5%

4.5 Digital TV Services

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Digital TV Customers	000's	7,894	7,455	6%	7,069	12%
Net additions	000's	439	55	692%	455	-4%
Average Revenue Per User (ARPU)	Rs	186	177	5%	160	16%
Average Revenue Per User (ARPU)	US\$	3.4	3.2	7%	3.2	8%
Monthly Churn	%	1.3%	1.9%		1.2%	

4.6 Network and Coverage - India

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,121	5,121	-	5,116	5
Non-Census Towns and Villages	Nos	458,727	457,053	1,674	453,294	5,433
Population Coverage	%	86.7%	86.6%		86.4%	
Optic Fibre Network	R Kms	166,506	162,457	4,049	154,744	11,762
Sites on Network	Nos	131,450	129,411	2,039	119,044	12,406
<i>Of which no. of 3G sites</i>	Nos	22,515	20,333	2,182	14,751	7,764
Telemedia Services						
Cities covered	Nos	87	87	-	87	-
Airtel Business						
Submarine cable systems	Nos	7	7	-	7	-
Digital TV Services						
Districts Covered	Nos	632	632	-	587	45
Coverage	%	99%	99%		92%	

4.7 Tower Infrastructure Services ¹⁶

4.7.1 Bharti Infratel Consolidated

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Total Towers ¹³	Nos	81,389	80,656	733	79,012	2,377
Total Co-locations ¹³	Nos	156,336	154,296	2,040	148,701	7,635
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	35,225	34,449	2%	35,021	1%
Average Sharing Factor	Times	1.92	1.91		1.87	

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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Total Towers ¹⁴	Nos	34,668	34,220	448	33,094	1,574
Total Co-locations ¹⁴	Nos	63,080	62,027	1,053	60,357	2,723
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,863	36,839	3%	37,493	1%
Average Sharing Factor	Times	1.82	1.81		1.81	

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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Total Towers ¹⁵	Nos	111,240	110,561	679	109,328	1,912
Total Co-locations ¹⁵	Nos	222,038	219,687	2,351	210,343	11,695
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	31,969	31,711	1%	32,083	0%
Average Sharing Factor	Times	1.99	1.98		1.91	

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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Consolidated						
Total Employees ¹⁷	Nos	17,801	15,579	2,222	15,141	2,660
Number of Customers per employee	Nos	10,847	12,623	(1,776)	12,287	(1,440)
Personnel cost per employee per month	Rs	108,030	118,425	-9%	104,443	3%
Gross Revenue per employee per month ¹⁷	Rs	2,593,711	2,896,814	-10%	2,843,124	-9%

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

4.9 Operational Performance - Africa

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Customer Base	000's	61,687	58,667	5%	50,949	21%
VLR	%	86.1%	85.8%		87.4%	
Net Additions	000's	3,020	2,812	7%	2,512	20%
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%		99.3%	
Monthly Churn	%	5.1%	5.1%		5.4%	
Average Revenue Per User (ARPU)	US\$	6.2	6.4	-2%	7.1	-13%
Total Revenue / Minutes on Network	US¢	4.3	4.6	-7%	5.7	-24%
Revenue per site per month	US\$	22,725	22,872	-1%	25,225	-10%
Voice						
Minutes on the network	Mn	26,174	23,646	11%	18,496	42%
Voice Average Revenue Per User (ARPU)	US\$	5.3	5.5	-5%	6.5	-18%
Voice Usage per customer	min	144	138	5%	125	15%
Voice Realization per minute	US¢	3.7	4.0	-9%	5.2	-29%
Non Voice Revenue						
% of Mobile revenues	%	15.1%	13.0%		9.4%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	7.8%	6.9%		5.3%	
Data as % of Mobile revenues	%	3.9%	3.6%		2.5%	
Others as % of Mobile revenues	%	3.3%	2.5%		1.6%	
Data						
Data Customer Base	000's	14,107	13,935	1%	NA	NA
As % of Customer Base	%	22.9%	23.8%		NA	NA
Total MBs on the network	Mn MBs	2,450	2,145	14%	NA	NA
Data Average Revenue Per User (ARPU)	US\$	1.1	1.0	16%	NA	NA
Data Usage per customer	MBs	58	56	4%	NA	NA
Data Realization per MB	US¢	1.9	1.7	12%	NA	NA

Refer table A1.10 on page 43 for KPI's in constant currency.

4.10 Network & Coverage - Africa

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Sites on Network	Nos	16,371	15,979	392	14,112	2,259
Of which no. of 3G sites	Nos	5,527	5,347	180	NA	NA

4.11 Human Resource Analysis - Africa

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Q-on-Q Growth	Dec 31, 2011	Y-on-Y Growth
Total Employees	Nos	4,889	4,984	(95)	4,773	116
Number of Customers per employee	Nos	12,618	11,771	847	10,674	1,943
Personnel cost per employee per month	US\$	6,211	6,015	3%	5,783	7%
Gross Revenue per employee per month	US\$	77,280	73,335	5%	73,835	5%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India and South Asia

A. Key Industry Developments

1. DoT's order on One-time spectrum charge

On December 31, 2012, DoT issued an order for levying one-time charge:

- For spectrum beyond 6.2MHz, such charge would be levied from 1st July 2008 till 31st December 2012 based on 2001 entry fee duly indexed up to 2012.
- For spectrum beyond 4.4MHz, such charge would be levied based on 2012 auction determined price from 1st January 2013 till the due extension of the license. For the service areas of Delhi, Mumbai, Karnataka and Rajasthan, such charge would be based on the prescribed reserve price on provisional basis subject to adjustment against auction determined rate.

2. DoT Direction on EMF norms

On October 11, 2012, DoT issued a direction specifying the financial penalties for non compliance of EMF norms, which is as follows:

- BTS non-compliant to EMF Radiation norms: Rs 5 Lakh.
- Non-submission/delay of Self Certification in time: Rs 5 Lakh.
- Non-submission of Self Certification in time (Old cases of 2010-11): Rs 5 Lakh.
- Penalty for non-provision of signage: Graded penalty from Rs 5,000 to Rs 50,000.

The above penalties shall be applicable for each BTS at site separately on per incidence basis.

3. TRAI specifies Access facilitation charges for submarine cable landing station

On Dec 21, 2012, TRAI specified the following Access Facilitation Charges w.e.f 1st January 2013:

- Access Facilitation Charges (AFC):

Sr. No.	Capacity	Access Facilitation Charges Per Unit Capacity Per annum (in Rs.)	
		At CLS	At alternate location
1	STM1	36,000	111,000
2	STM2	93,000	288,000
3	STM3	240,000	750,000
4	STM64	625,000	1,950,000

- Co-location charges per rack per annum: Rs 6 lakh for Mumbai and Rs 4 lakh for other location.

4. Provisions for levying Financial Disincentives

4.1 Amendment in "The Reporting System of Accounting Separation Regulation, 2012": On October 15, 2012, TRAI issued an amendment to the above-mentioned regulation wherein it has introduced the following financial disincentive clauses:

- **In case of non-submission/delay in submission:**
 - Maximum five lakh rupees and if default continues for more than fifteen days, an additional penalty of maximum fifty thousand rupees for every day;
 - For every subsequent contravention, maximum ten lakh rupees and in case the default continues for more than fifteen days, an additional penalty of maximum one lakh rupees for every day.
- **In case of giving false information:**
 - Maximum ten lakh rupees.

4.2 Amendment to QoS Regulation covering Wireless, Wireline and Broadband Services

On November 8, 2012 and December 24, 2012, TRAI issued an amendment to its QoS Regulation of 2012 wherein the following financial disincentive clauses have been introduced:

- **Failure to meet the QoS benchmarks for the parameters:**
 - Maximum Rs 50,000 per parameter for first quarter and for subsequent quarters, a maximum of Rs 1 lakh
- **Submission of false compliance report:**
 - Maximum Rs 10 Lakh per parameter
- **Delay in submission of compliance report:**
 - Maximum Rs 5,000 per day during the default period
- 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. Auction of Spectrum in 1800 MHz

On November 14, 2012, the Government of India concluded the auction of spectrum in 1800 MHz band.

- Five operators won the spectrum in 1800 MHz band viz. Idea (8 circles), Telenor (6 circle), Videocon (6 circles), Vodafone (14 circles) & Airtel (1 circle).

6. 4th Amendment to Telecom Consumer Protection Regulation, 2012

On October 22, 2012, TRAI issued an above-mentioned amendment wherein it has introduced the following clauses:

- Introduction of 4th Category of Vouchers namely "Combo Vouchers" - monetary value and tariff benefits together through single voucher having max validity of 90 days.
- To offer Top up vouchers in denomination of Rs.10 and multiples thereof and Combo vouchers in denominations other than Rs.10 and multiples thereof.

7. 10th Amendment to Telecom Commercial Communications Customer Preference Regulation, 2012

On November 05, 2012, TRAI issued the above mentioned amendment (applicable for non-telemarketers), which is as under:

- Blocking SMS beyond 200 nos. per SIM per hour having same signatures
- Advisory SMS to customer every six months
- Registration of UCC complaint through SMS
- Establish a web-based complaint registering system and a dedicated e-mail address to receive such complaints on UCC

Further, TRAI has issued 54th amendment to TTO'99 on differential SMS tariffs (applicable for non-telemarketers) to control the UCC:

- Upto 100 SMS per day per SIM - Tariff forbearance
- Every SMS beyond 100 SMS per day - Tariff not less than 50p/SMS

B. Key Company Developments

- Bharti Airtel launched its state-of-art Network Experience Centre. The first of its kind facility in India will monitor Airtel's networks spanning Mobile, DSL Broadband, M-Commerce, DTH, Airtel Business, and International Cables across its India and South Asia operations from a single location.
- Bharti Airtel released the findings of Airtel Mobitude 2012 - the fourth consecutive findings of the only annual survey of its kind that captures the preferences and usage patterns of mobile users in India. The 2012

findings Airtel Mobitude revealed interesting preferences of over 186 million Airtel mobile customers.

- In November 2012, Airtel announced a range of attractive data plans for iPhone 5 that will allow customers to connect to its fast HSPA+ and DC-HSPA networks with Wideband Audio.
- www.airtel.in joined the bandwagon of eCommerce websites participating in Great Online Shopping Festival - a 24 hour shopping marathon organized by Google India on 12th December 2012. As part of this, online shoppers visited www.airtel.in for a variety of deals on digital TV, Value Added Services, devices etc. Payments via airtel money also promised great bargains with an additional discount on top of the deals being offered by popular eCommerce websites.
- Bharti Airtel launched airtel money 'Meeseva' - a unique citizen services initiative in association with the Government of Andhra Pradesh, which allows Airtel mobile customers to pay utility bills through their phones from anywhere in the country.
- Airtel announced that over Rs 4.04 Cr was raised as charity during Airtel Delhi Half Marathon 2012 organized earlier in September 2012.
- In line with introducing life enriching services for customers, Airtel launched CAT Fastrack - a 30 day crash course for CAT aspirants empowering them with tips and tricks to crack the CAT.
- In continuation with the company's commitment to launch products and services that are innovative and relevant for customers, Airtel announced the launch of the Emergency Alert service enabling customers to alert 10 loved ones during any emergency with just a call.
- Bharti Airtel announced the comeback of the Worldspace Radio – iMusicSpace on Airtel digital TV enabling DTH customers to easily listen to an extensive collection of latest and retro Hindi songs, popular ghazals and their favorite regional music channels on their television.
- Bharti Airtel was ranked amongst the top ten employer companies in demand in India in the survey 'Most In Demand Employers' conducted by LinkedIn - a social network for work professionals.
- Airtel announced the launch of three new International Roaming Packs for post-paid mobile customers travelling to the United States of America enabling the customers to stay connected with friends and family back home at up to 87% discounted rates.
- Bharti Airtel launched a green Data Centre in Mumbai. The data centre has been jointly designed and commissioned with India's NetMagic Solutions Pvt. Ltd; is carrier neutral, and is connected to Airtel's first class bandwidth capacity and network support infrastructure to enable scalability, resilience and efficient delivery of services to its valued customers.
- Bharti Airtel was honoured in two categories at Voice&Data Telecom Leadership Forum 2012. Bharti

Airtel was awarded the QuEST Forum India Quality Award in the 'Top Telecom Service Provider 2012' category for its ongoing commitment towards offering best-in-class experience for its customers while Bharti Airtel's India & South Asia CEO Sanjay Kapoor was conferred 'Telecom Person of the Year 2012' title for his contribution to the Indian telecom sector.

- Bharti Airtel stood out as the top telecom brand and winner in several categories in the prestigious Effie Awards 2012. Brand Airtel bagged a total of 3 Gold and a Silver at Effies this year. The extremely successful 'Har Friend Zaroori Hai, Yaar' campaign stood out amongst all nominations and bagged three Gold awards. Apart from Gold in the Telecom Category, the campaign competed with the best brands across industries and emerged number one in 'Digital Advertising' and 'Integrated Advertising' categories with one Gold each. 'Baat Sirf Paison Ki Nahin Hai' campaign for airtel money was also recognized with a Silver Effie in the telecom category. Airtel gathered a total of 55 points and emerged as third in the list of 'Client of the Year at Effie Awards 2012'.
- Airtel bagged three awards at Aegis Graham Bell Awards 2012 in categories of Innovation in mMoney, Best Mobile Phone Service Provider 2012 and T20 of Telecom Industry.

5.2 Africa

A. Key Industry Developments

Burkina Faso

- **3G license**
License non compliance notification issued by regulator but suspended until 31st October 2012. Thereafter, the Regulator conducted a survey on QoS to check whether operators are compliant. Results are awaited.
- **KYC**
Regulator directive of no pre activated SIMs to be sold as from 1st October 2012.

DRC

- **KYC**
The General Public Prosecutor has requested all the telecom Operators to send information on their subscribers (number of active, inactive subscribers). Operators are jointly representing for a 3 month moratorium.
- **De-Dollarization of Local Currency**
The Finance Minister ordered all Operators to price products and services in local currency (CDF). The Operators Association is working to appeal against this decision which is contrary to the decree that allows transactions in foreign currency.
- **Taxation on International Incoming Traffic**
Congolese Government has signed an agreement with Telecom-Agilis International for fighting frauds occurring in incoming international traffic. It is proposed to install their equipment in each operator's network for controlling international traffic. Telecom Operators are appealing against this step.

Ghana

- **KYC**
All operators have received a letter from NCA's lawyers alleging contravention of the SIM Regulations and demanding that such practice be ceased with immediate effect.

The issue of whether or not operators are required to verify the authenticity of IDs is a matter currently before the High Court. All operators have declined to comment on the specific cases on non-compliance with the regulations in view of the pending law suit.

Kenya

- **LTE**
The Kenya government called for submissions of interest in the proposed LTE license consortium utilizing the 700 MHz spectrum range. Government has issued a tender for financial, tax and legal consulting services to further progress the program.
- **Interconnection**
Regulator reinstated the laid down glide path. Lower rate as determined in the glide path of KES 1.44 becomes effective back dated to 1st July 2012.

Niger

- **KYC**
New decree adopted by the regulator setting new KYC deadline for registration compliance as 4th April 2013.
- **3G License**
3G License still being pursued. Questionnaire issued by regulator in December to all operators for input.

Nigeria

- **Interconnection Rate**
The Regulator had appointed an external agency to carry out a review of Interconnect rate and current regime. The report is still awaited.

Tanzania

- **Interconnect rate review**
The Regulator has appointed an external agency to conduct a study on the Interconnect rates. Further steps on the report awaited in January 2013.

Uganda

- **Draft Telecommunications Bill**
Draft telecommunications bill has been passed by parliament introducing the following changes:
 1. 100% increase of USO levy;
 2. Mandate of the Regulator to monitor and tax international incoming calls; and
 3. Power of the Regulator to regulate tariffs and charges of communication servicesNegotiations are ongoing to reverse these contentious provisions.
- **Interconnect rates**
Regulator issued notice to MTN and airtel to impose the reference interconnection rate of USHS 112/- within 30 days from 27th November 2012.

B. Key Company Developments

- Airtel has rolled out 3G services in 11 countries and is ahead of competition in terms of quality & customer experience with a focus on coverage, speed and affordability. This is reflected by increase of data user penetration and average usage per user. All 3G launches coincide with Video Calling, Airtel Live 2.0 and a new set of aggressive & innovative tariff plans.
- A number of services & products for postpaid business have been launched in the quarter. Airtel Rwanda launched postpaid mobile voice, data & roaming services.
- Airtel Premier, a high value customer programme, was further rolled out to Burkina Faso and Madagascar, taking the count of countries in which it is live to 5 (after launches in Nigeria, Zambia and Gabon).
- “Airtel Business” as a brand, has been launched in Nigeria offering services like postpaid voice, mobile & fixed data (lease line) services, collaboration services (audio conferencing) etc.
- Airtel customers in Africa now get free incoming calls while roaming on its South Asia network. This is the worlds' first intercontinental roaming facility offering free incoming calls by leveraging Airtel's network reach in India, Sri Lanka and Bangladesh.
- Airtel, in partnership with Ericsson, completed the largest network transformation in Africa's telecom history. The program involved a comprehensive upgrade and expansion of network elements on all of Airtel's African operations, including switching, radio, network management, data, charging, and consumer-services platforms and systems. This will enhance Airtel's network capacity & robustness and help deliver best-in-class services to customers at affordable rates. This also makes Airtel's networks fully ready for next generation services that include high speed data & value added services.
- Airtel together with ZTE won 'Best Cost Efficiency Initiative' at AfricaCom awards held in Cape Town, South Africa for their Hybrid Power Solution.
- Women farmers in the East and Horn of Africa region are poised to benefit from practical information-sharing tools via mobile networks. UN Women (The United Nations entity for gender equality and empowerment of women) will identify female entrepreneurs ready to benefit from the initiative, whilst Airtel will package and deliver appropriate solutions.

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 December 31, 2012

- Overall customer base at 262.3 million.
- Net addition of 18.9 million customers (Y-o-Y).
- Total Revenues of Rs 202.4 billion (up 10% Y-o-Y).
- EBITDA Rs 61.8 billion (up 4% Y-o-Y).
- Net Income of Rs 2.8 billion (down 72% Y-o-Y).
- Operating free cash flow of Rs 38.0 billion (down 1% Y-o-Y).

Bharti Airtel Consolidated

Quarter ended December 31, 2012

Customer Base

As on December 31, 2012, the Company had an aggregate of 262.3 million customers consisting of 251.1 million Mobile, 3.3 million Telemedia and 7.9 million Digital TV customers. Its total customer base as on December 31, 2012 increased by 8% compared to its customer base as on December 31, 2011.

Revenues/Turnover

During the quarter ended December 31, 2012, the Company recorded revenues of Rs 202,395 million, a growth of 10% compared to the quarter ended December 31, 2011. Non-voice revenues contribute 28.5% of the total revenues for the quarter, a significant improvement from 25.4% in the same quarter last year.

Operating Expenses (excluding revenue share license and spectrum fee)

During the quarter ended December 31, 2012; the Company incurred an operating expenditure of Rs 94,757 million representing 46.8% of the total revenues. The operating expense comprises of: Rs 48,461 million towards network operations cost (23.9% of total revenues), Rs 33,948 million towards selling, general & administrative cost (16.8% of total revenues), Rs 10,211 million towards employee costs (5.0% of total revenues) and Rs 2,137 million towards cost of goods sold (1.1% of total revenues).

The improved customer acquisition process has enabled a reduction in selling, general & administrative costs in India & South Asia by Rs 1,012 million compared to the previous quarter ended September 30, 2012.

EBITDA, EBIT & Finance Cost

During the quarter ended December 31, 2012, the Company had an EBITDA of Rs 61,839 million, a growth of 4% compared to the quarter ended December 31, 2011. The reported EBITDA margin for the quarter was 30.6%.

During the quarter ended December 31, 2012, the Company had depreciation and amortization expenses of Rs 39,005 million on the back of continuing investments on network. The resultant EBIT for the quarter ended December 31, 2012 was Rs 22,834 million, a decline of 4% compared to quarter ended December 31, 2011.

The net finance cost for the quarter ended December 31, 2012 was Rs 13,319 million. During the quarter, the interest on borrowings & finance charges was Rs 11,573 million, derivatives & exchange fluctuation loss of Rs 2,475 million and the investment income (primarily related to income on marketable securities) was Rs 729 million.

Profit / (Loss) Before Tax (PBT)

The Profit / (Loss) before tax for the quarter was Rs 9,515 million, a decrease of 40%, as compared to the quarter ended December 31, 2011 on account of higher depreciation & finance costs.

Income Tax Expense

The current tax for the quarter ended December 31, 2012 was Rs 5,347 million, deferred tax expense was Rs 968 million (including one time de-recognition of approx Rs 600 million of tax credits recognised earlier, arising from downward revision of tax rates in one of the countries) and withholding taxes were Rs 360 million. The effective tax rate for India & South Asia for the nine months ended December 31, 2012 was 29.1% (27.8% excluding dividend distribution tax incurred in quarter ended September 30, 2012) as compared to effective tax rate of 23.7% for the nine months ended December 31, 2011. The increase is attributable to higher proportion of taxable profits in the period of nine months ended December 31, 2012.

Net income

The net income for the quarter ended December 31, 2012 was Rs 2,837 million representing a Y-o-Y decline of 72%, the main reasons being: higher depreciation & amortization expenses (Rs 3,160 million), net interest cost (Rs 2,837 million), derivative & exchange fluctuation losses (Rs 2,606 million) and tax provisions (Rs 1,089 million).

Compared to the quarter ended September 30, 2012, the consolidated net income has declined by Rs 4,376 million. It may be pointed out that the Company was awarded a favourable order by the TDSAT in respect of an outstanding dispute pertaining to inter-connect agreements. Accordingly, the Company had recognized revenues, profit before tax and net income relating to previous periods of Rs 5,861 million, Rs 3,448 million and Rs 2,386 million respectively in the quarter ended September 30, 2012. Taken together with derivative & exchange fluctuation losses, higher by Rs 2,226 million, this explains the Q-o-Q decline in net income.

Statement of Financial Position

The Company had total assets of Rs 1,708,826 million and total liabilities of Rs 1,150,571 million, as on December 31, 2012. The difference of Rs 558,255 million was on account of Equity attributable to equity holders of parent and non-controlling interest. Equity movement during the quarter ended December 31, 2012 includes changes in foreign currency translation reserve (FCTR) of Rs 3,610 million arising from depreciation of the Rupee and the movements of various functional currencies of overseas operations, on net basis.

Further, with the issue of shares by Bharti Infratel Limited of Rs 32,303 million, the holding of the Company in Bharti

Infratel Limited stands reduced from 86.09% to 79.42% with the resultant change in the share of net assets of Rs 16,603 million recognized directly in equity. Consequently, the non-controlling interest has increased by Rs 15,249 million net of amount transferred into equity.

The Company had a net debt of Rs 642,825 million (US\$ 11,735 million) as on December 31, 2012, resulting in a Net Debt (in US \$) to EBITDA (LTM in US \$) of 2.55. 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. During the quarter, the company's subsidiary Bharti Infratel Ltd made an Initial Public Offering (IPO) through a book building process and raised equity of Rs 32,303 million (US\$ 590 Mn) of which Rs 31,657 million were placed as short term investments as on December 31, 2012. Coupled with the depreciation of the rupee, this has resulted in the consolidated Net Debt in US\$ terms to decrease by US\$ 933 million during the quarter ended December 31, 2012.

Capital Expenditure & Operating Free Cash Flow

During the quarter ended December 31, 2012, the Company incurred capital expenditure of Rs 23,826 million. The Operating Free Cash Flow during the quarter was Rs 38,014 million.

Human Resources

As on December 31, 2012, the Company had a total of 23,413 employees.

B2C Services – India & South Asia

Mobile Services

During the quarter, the DoT mandated FTA (First time activation) process came into effect. This has put in place stringent verification norms at the time of customer acquisition. Consequently, the overall market additions have de-grown from the earlier levels. The operating metrics of the mobile business in India have to be viewed in this context.

Customer Base, Churn, ARPU and MoU - India

As on December 31, 2012, the Company had 181.9 million GSM mobile customers on its network of which 6.8 million were 3G customers. The average monthly churn at 5.9% for the quarter ended December 31, 2012 has significantly come down from earlier levels of more than 8%. This improvement in churn is an outcome of disciplined approach to the new customer acquisition process. The healthy VLR ratio of 95% reflects significant proportion of customers being active.

During the quarter, the blended ARPU was Rs 185 (US\$ 3.4) per month. The blended monthly voice usage per customer during the quarter was at 435 minutes reflecting the seasonal growth in consumption.

The gross realization per minute during the quarter was 42.5 paisa. Voice ARPU was Rs 153 and voice realization was 35.2 paisa per minute. While the company is focused on increasing the realized rate through pruning of low yielding minutes, it continues to remain competitive in the market.

Value added services, which includes SMS, MMS, Ring Back Tones, Airtel Talkies, Music on Demand etc. contributed to approximately 9.9% of the total revenues of the segment. The company was the first in industry to adopt the TRAI regulation on seeking double confirmation before activation of value added services. This has resulted in temporary decline in VAS revenues.

Data consumption continues to grow at 25% on sequential basis and is about to cross 20 Bn MBs per quarter. Data ARPU came in at Rs 47, helped by average data download of 161 MBs per user per month, and blended data realization rate of 29.3 paisa per MB. The Company had 41.5 million Data (Mobile Internet) customers, of which 5.2 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 December 31, 2012 for mobile services stood at Rs 109,364 million, a growth of 7% over the corresponding quarter last year. The revenue from this segment contributed to 76.7% of the total revenues of India & South Asia.

The EBITDA during the quarter ended December 31, 2012 was Rs 33,083 million representing a decline of 4% over the quarter ended December 31, 2011. The EBITDA margin for the quarter ended December 31, 2012 was 30.3%, compared to 33.8% in the quarter ended December 31, 2011. The competitive intensity was reflected in a 6% Y-o-Y reduction in voice realization per minute. Steep increases in electricity tariffs and diesel prices have pushed up the network running costs. The network has substantially expanded in the last four quarters with roll-out of 12,406 new 2G sites and 7,764 new 3G sites. Benefits flowing from increase in voice & data volumes and savings in selling and distribution expenses have not been commensurate with the cost escalations. The EBIT for the quarter ended December 31, 2012 was Rs 16,713 million as compared to Rs 20,176 million for the quarter ended December 31, 2011, a decline of 17%.

Capital Expenditure

During the quarter ended December 31, 2012, the Company incurred a capital expenditure of Rs 7,029 million in Mobile Services (including investments towards launch of 4G services).

Telemedia Services

Customer Base and ARPU

As on December 31, 2012, the Company had its Telemedia operations in 87 cities. The number of customers stood at 3.3 million customers as on December 31, 2012. The Company had approximately 1.4 million broadband (DSL) customers. The ARPU for the quarter was Rs 973 (US\$ 17.9) per month.

Revenues, EBITDA and EBIT

For the quarter ended December 31, 2012, the revenues from Telemedia operations stood at Rs 9,566 million, a growth of 5% over the corresponding quarter last year owing to increase in Data ARPU and internet penetration. The EBITDA for the quarter was Rs 4,165 million compared to Rs 3,542 million in the corresponding prior year quarter, a growth of 18%. The EBITDA margin for this segment was 43.5%. The EBIT for quarter ended December 31, 2012 was Rs 1,642 million as compared to Rs 1,287 million for the quarter ended December 31, 2011, a growth of 28%.

Capital Expenditure

During the quarter ended December 31, 2012, the Company incurred a capital expenditure of Rs 2,244 million in Telemedia Services.

Digital TV Services

Customer Base and ARPU

As on December 31, 2012, the Company had its Digital TV operations in 632 districts. The number of customers stood

at 7.9 million customers as on December 31, 2012. The ARPU for the quarter was Rs 186 (US\$ 3.4) per month. The improvement in ARPU has been achieved through product innovations, pricing corrections and up-selling. The digitization drive across the 4 metro cities of the country has contributed to increase in customer base.

Revenues, EBITDA and EBIT

For the quarter ended December 31, 2012, the revenues from Digital TV operations of Rs 4,280 million represented a growth of 29% over the corresponding quarter last year. The EBITDA for the quarter was Rs 147 million representing a growth of 63% over the corresponding quarter last year. The EBITDA margin for this segment was 3.4% for the quarter ended December 31, 2012. The EBIT loss for the quarter was Rs 1,828 million as compared to loss of Rs 1,955 million for the quarter ended December 31, 2011.

Capital Expenditure

During the quarter ended December 31, 2012, the Company incurred a capital expenditure of Rs 1,351 million in Digital TV Services.

B2B Services – India & South Asia

Airtel Business

Revenues, EBITDA and EBIT

The revenues for the quarter ended December 31, 2012 for Airtel Business stood at Rs 14,219 million, a healthy growth of 20% over the corresponding quarter last year. The revenue from this segment contributed to 10.0% of the total revenues of India and South Asia. The EBITDA during the quarter ended December 31, 2012 was Rs 2,298 million, a growth of 14% over the corresponding quarter last year. The EBITDA margin for the quarter ended December 31, 2012 was 16.2%. The EBIT for the quarter ended December 31, 2012 was Rs 888 million as compared to Rs 713 million for the quarter ended December 31, 2011, a growth of 25%.

Capital Expenditure

During the quarter ended December 31, 2012, the Company incurred a capital expenditure of Rs 139 million in Airtel Business. The segment contributed a healthy Operating Free Cash Flow of Rs 2,159 million; at 15.2% of revenues, this reflects a strong cash generating business.

Tower Infrastructure Services

During the quarter, Bharti Infratel Ltd, a subsidiary of the Company has successfully raised Equity of Rs 32,303 million through an Initial Public Offering. Bharti Infratel issued 188.9 million additional equity shares (face value of Rs 10 each). This has resulted in dilution of the Company's stake in this subsidiary from 86.09% to 79.42%.

Revenues, EBITDA and EBIT

The revenues for the quarter ended December 31, 2012 for Tower Infrastructure Services were Rs 26,350 million, a growth of 8% over the corresponding quarter last year. The EBITDA during the quarter ended December 31, 2012 was Rs 9,761 million representing a growth of 7% over the quarter ended December 31, 2011. The EBITDA margin for the quarter ended December 31, 2012 was 37.0%. The EBIT for the quarter ended December 31, 2012 was Rs 4,200 million as compared to Rs 3,758 million for the quarter ended December 31, 2011, a growth of 11.8%.

Capital Expenditure

During the quarter ended December 31, 2012, the Company incurred a capital expenditure of Rs 4,062 million in Tower Infrastructure Services.

Towers and Sharing Operators

As at the end of the quarter, Bharti Infratel had 34,668 towers and average sharing factor of 1.82 times. As at the end of the quarter, Indus Towers had 111,240 towers and average sharing factor of 1.99 times.

Mobile Services – Africa

The telecom market in Africa has grown in local currency terms in single digits this year. Political and economic developments as well as aggressive pricing by market leaders and newer players have been the main reasons for this subdued market growth. In this context, the Company's efforts to stimulate growth through affordable services and festival promotions have borne fruit in this quarter as well.

Customer Base, ARPU and MoU

At the end of the quarter ended December 31, 2012, the Company had 61.7 million GSM mobile customers on its network. The Company added 3.0 million customers during the quarter and 10.7 million customers during the calendar year 2012. The ARPU for the quarter was US\$ 6.2 per month. Minutes on the network grew by 2.5 Bn (+11%) over the previous quarter ended September 30, 2012 and by 7.7 Bn (+42%) over the quarter ended December 31, 2011. The blended monthly voice usage per customer during the quarter ended December 31, 2012 jumped to 144 minutes, reflecting a significant improvement from usage level of 138 minutes in the previous quarter, and from 125 minutes in the same quarter last year. The festival season uplift also contributed to the increased usage.

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 15.1% of the total revenues of the segment.

The Company 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 5,527 sites. The number of 2G sites has also increased by 16% to 16,371 over December 31, 2011.

Revenues, EBITDA and EBIT

During the quarter, in local currency terms, the Company's revenue in Africa grew by 11% over the corresponding period last year, which is faster than the market growth. In Rupee terms, Africa revenue came in at Rs 61,694 million representing a strong growth of 15% over last year, helping to lift the overall consolidated growth of the Company.

EBITDA in Rupee terms of Rs 16,383 million grew by 14% over the corresponding period last year, despite higher spends on network and market stimulation activities. As a result, the EBITDA margin of the Africa business has remained range bound between 26% to 27%.

EBIT for the quarter ended December 31, 2012 was Rs 4,406 million representing a growth of 47% over the corresponding quarter last year. EBIT for the period of nine months ended December 31, 2012 was Rs 12,208 million which represents a growth of 35% over the corresponding period last year.

Capital Expenditure

During the quarter ended December 31, 2012, the Company incurred a capital expenditure of Rs 8,671 million on its African operations. Africa has now sustained positive cash generation for the last five quarters. The Operating Free Cash Flow in Africa was Rs 7,712 million for the quarter and Rs 21,008 million for the period of nine months ended December 31, 2012.

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:

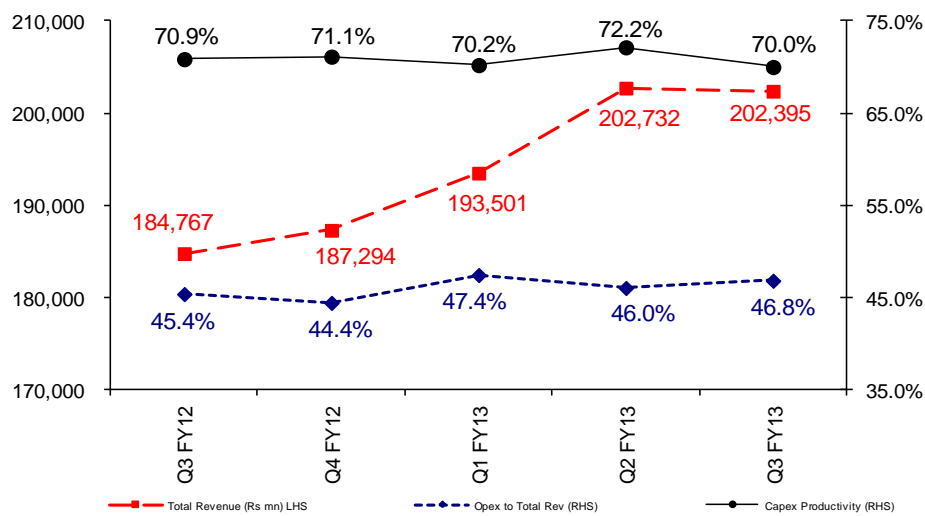
1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – operating expenses divided by the total revenues for the respective period. Operating expenses is the sum of (i) equipment costs (ii) employee costs (iii) network operations costs & (iv)

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

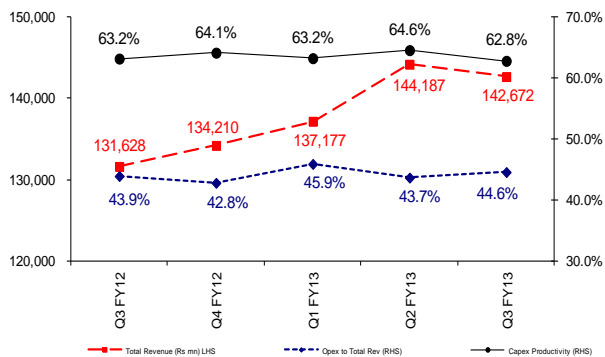
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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

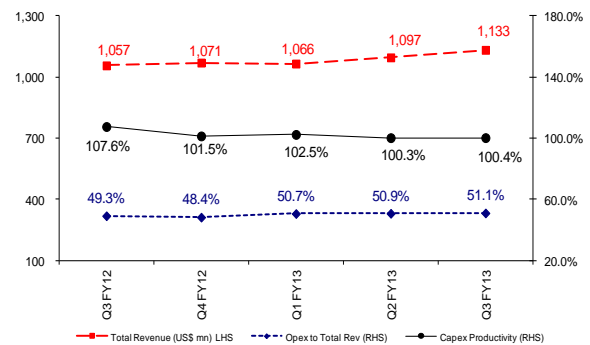
5.4.1 Bharti Airtel Consolidated



5.4.2 Bharti Airtel - India & South Asia



5.4.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

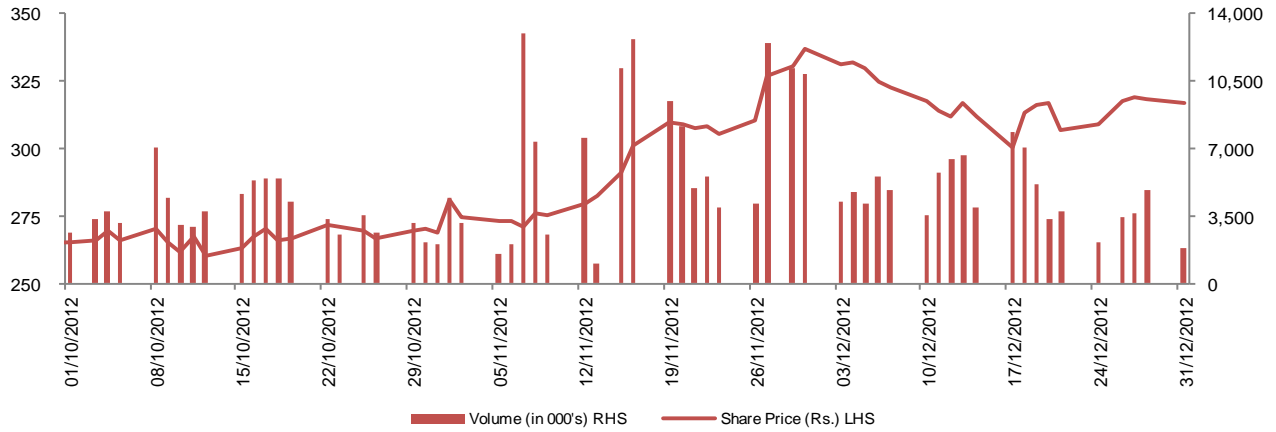
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (31/12/12)	Mn Nos	3,797.53
Closing Market Price - BSE (31/12/12)	Rs /Share	316.80
Combined Volume (NSE & BSE) (01/10/12-31/12/12)	Nos in Mn/day	5.05
Combined Value (NSE & BSE) (01/10/12-31/12/12)	Rs bn /day	1.50
Market Capitalization	Rs bn	1,203
Market Capitalization	US\$ bn	21.96
Book Value Per Equity Share	Rs /share	135.95
Market Price/Book Value	Times	2.33
Enterprise Value	Rs bn	1,846
Enterprise Value	US\$ bn	33.70
Enterprise Value/ Annualised Q3 Revenue	Times	2.28
Enterprise Value/ Annualised Q3 EBITDA	Times	7.46

6.2 Summarized Shareholding pattern as of December 31, 2012

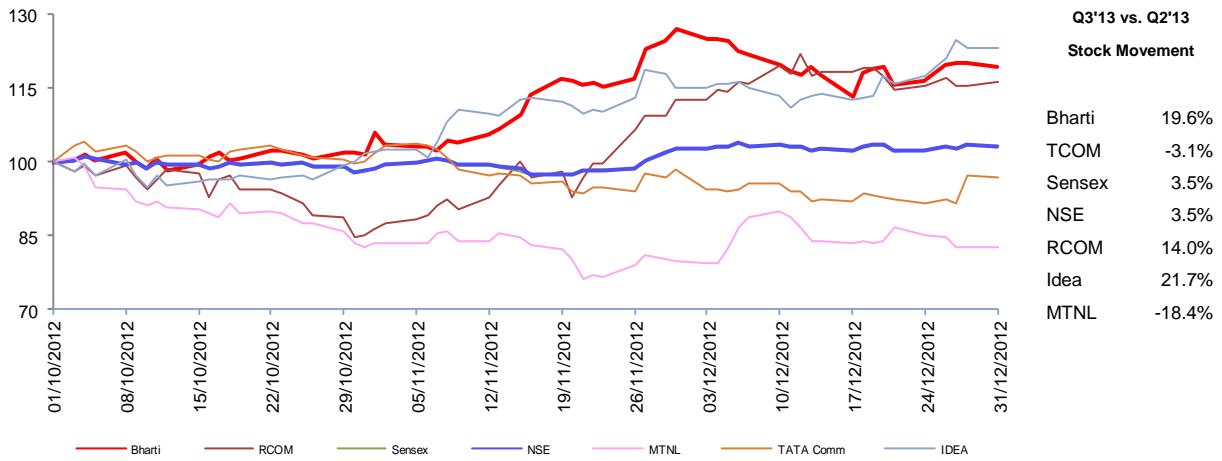
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,735,453,890	45.70%
Foreign	865,673,286	22.80%
Sub total	2,601,127,176	68.50%
Public Shareholding		
Institutions	966,904,396	25.46%
Non-institutions	229,498,524	6.04%
Sub total	1,196,402,920	31.50%
Total	3,797,530,096	100.00%

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

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec 2012	Dec 2011	Y-on-Y Growth	Dec 2012	Dec 2011	Y-on-Y Growth
Revenue	202,395	184,767	10%	598,628	527,214	14%
Other operating income	142	311	-54%	358	456	-21%
Operating expenses	(140,698)	(125,494)	12%	(415,152)	(352,876)	18%
Depreciation & amortisation	(39,005)	(35,845)	9%	(115,136)	(98,998)	16%
Profit / (Loss) from operations	22,834	23,739	-4%	68,698	75,796	-9%
Share of results of associates	-	(56)		(76)	(56)	
Profit / (Loss) before interest and tax	22,834	23,683	-4%	68,622	75,740	-9%
Finance income	927	925	0%	3,707	4,085	-9%
Finance costs	(14,246)	(8,802)	62%	(35,456)	(31,698)	12%
Profit / (Loss) before tax	9,515	15,806	-40%	36,873	48,127	-23%
Income tax income/(expense)	(6,675)	(5,585)	20%	(19,267)	(15,626)	23%
Net income / (loss) for the period	2,840	10,221	-72%	17,606	32,501	-46%
Income Attributable to :						
Equity holders of the parent	2,837	10,113	-72%	17,671	32,535	-46%
Non controlling interests	3	108	-97%	(65)	(34)	91%
Net Income / (Loss)	2,840	10,221	-72%	17,606	32,501	-46%
Earning Per Share						
Basic, profit attributable to equity holders of parent (In Rs)	0.75	2.66		4.66	8.57	
Diluted, profit attributable to equity holders of parent (In Rs)	0.75	2.66		4.66	8.57	

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec 2012	Dec 2011	Y-on-Y Growth	Dec 2012	Dec 2011	Y-on-Y Growth
Net income / (loss) for the period	2,840	10,221	-72%	17,606	32,501	-46%
Exchange differences on translation of foreign operations	3,583	(3,074)	-217%	(19,123)	(24,422)	-22%
Total comprehensive income / (loss) for the period, net of tax	6,423	7,147	-10%	(1,517)	8,079	-119%
Total comprehensive income / (loss) attributable to :						
Equity holders of the parent	6,447	7,336	-12%	(1,572)	8,381	-119%
Non controlling interests	(24)	(189)	-87%	55	(302)	-118%
Total Comprehensive Income / (Loss)	6,423	7,147	-10%	(1,517)	8,079	-119%

7.1.3 Consolidated Statement of Financial Position

Amount in Rs mn

Particulars	As at Dec 31, 2012	As at Mar 31, 2012
Assets		
Non-current assets		
Property, plant and equipment	687,660	674,932
Intangible assets	691,688	660,889
Investment in associates	-	24
Derivative financial assets	3,812	2,756
Other financial assets	16,712	17,086
Other non - financial assets	19,992	15,568
Deferred tax asset	58,685	51,277
	1,478,549	1,422,532
Current assets		
Inventories	1,252	1,308
Trade and other receivable	68,873	63,735
Derivative financial assets	1,684	2,137
Prepayments and other assets	37,670	32,621
Income tax recoverable	11,584	9,049
Short term investments	68,963	18,132
Other financial assets	13,166	802
Cash and cash equivalents	27,085	20,300
	230,277	148,084
Total assets	1,708,826	1,570,616
Equity and liabilities		
Equity		
Issued capital	18,988	18,988
Treasury shares	(720)	(282)
Share premium	56,499	56,499
Retained earnings / (deficit)	408,941	395,682
Foreign currency translation reserve	(25,269)	(6,026)
Other components of equity	57,835	41,252
Equity attributable to equity holders of parent	516,274	506,113
Non-controlling interest	41,981	27,695
Total equity	558,255	533,808
Non-current liabilities		
Borrowing	603,302	497,154
Deferred revenue	9,444	2,892
Provisions	8,766	7,240
Derivative financial liabilities	657	401
Deferred tax liability	15,029	11,621
Other financial liabilities	26,082	23,076
Other non - financial liabilities	3,574	5,551
	666,854	547,935
Current liabilities		
Borrowing	140,805	193,078
Deferred revenue	38,443	43,282
Provisions	1,637	1,290
Other non - financial liabilities	17,863	10,811
Derivative financial liabilities	491	166
Income tax liabilities	5,176	7,596
Trade & other payables	279,302	232,650
	483,717	488,873
Total liabilities	1,150,571	1,036,808
Total equity and liabilities	1,708,826	1,570,616

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs mn

Particulars	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Cash flows from operating activities		
Profit before tax	9,515	36,873
Adjustments for -		
Depreciation and amortization	39,005	115,136
Finance income	(927)	(3,707)
Finance cost	14,246	35,456
Share of results of associated companies (post tax)	-	76
Amortization of stock based compensation	147	261
Other non-cash items	67	425
Operating cash flow before changes in assets and liabilities	62,053	184,520
Trade & other receivables and prepayments	10,085	(9,976)
Inventories	116	98
Trade and other payables	(2,280)	29,928
Change in provision	(20)	876
Other financial and non financial liabilities	2,518	740
Other financial and non financial assets	(4,301)	(1,959)
Cash generated from operations	68,171	204,227
Interest received	217	1,017
Income tax paid	(8,205)	(25,537)
Net cash inflow from operating activities	60,183	179,707
Cash flows from investing activities		
Proceeds/(Purchase) of property, plant and equipment	(34,600)	(97,386)
Purchase of intangible assets	(1,300)	(3,460)
Short term investments (Net)	(51,315)	(48,324)
Investment in associate / joint venture	-	(5,902)
Loan to associates	-	(100)
Net cash outflow from investing activities	(87,215)	(155,172)
Cash flows from financing activities		
Proceeds from issuance of borrowings	73,706	233,974
Repayment of borrowings	(58,424)	(246,514)
Short term borrowings (net)	612	(2,028)
Purchase of Treasury stock	-	(762)
Interest paid	(12,447)	(31,964)
Proceeds from exercise of stock options	13	57
Dividend paid (including tax) to Company's shareholders	-	(4,412)
Dividend paid (including tax) to non - controlling interests	-	(1,029)
Proceeds from issuance of equity shares to non - controlling interests ¹⁹	32,303	32,303
Share issue expenses	(646)	(646)
Net cash inflow / (outflow) from financing activities	35,117	(21,021)
Net (decrease) / increase in cash and cash equivalents during the period	8,085	3,514
Effect of exchange rate changes on cash and cash equivalents	(726)	(1,487)
Add : Balance as at the Beginning of the period	2,705	8,037
Balance as at the end of the period	10,064	10,064

Note 18: Cash and Cash Equivalents is excluding bank overdraft

Note 19: Represents net proceeds from the Bharti Infratel Limited IPO.

7.2 Schedules to Financial Statements

7.2.1 India & South Asia

7.2.1.1 Schedule of Operating Expenses

Particulars	Amount in Rs mn	
	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Access charges	19,929	57,137
Licence fees, revenue share & spectrum charges	13,806	41,542
Network operations costs	37,753	109,536
Cost of goods sold	315	876
Employee costs	5,431	15,751
Selling, general and administration expense	20,104	63,385
Operating Expenses	97,338	288,227

7.2.1.2 Schedule of Depreciation & Amortization

Particulars	Amount in Rs mn	
	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Depreciation	23,712	70,131
Amortization	3,315	9,492
Depreciation and Amortization	27,027	79,623

7.2.1.3 Schedule of Income Tax

Particulars	Amount in Rs mn	
	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Current tax expense	2,917	14,181
Deferred tax expense / (income)	1,391	39
Dividend distribution tax (DDT)	-	657
Income tax expense	4,308	14,877

7.2.2 Africa

7.2.2.1 Schedule of Operating Expenses

Particulars	<i>Amount in US\$ mn</i>	
	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Access charges	200	599
Licence fees, revenue share & spectrum charges	55	147
Network operations costs	200	569
Cost of goods sold	34	76
Employee costs	91	261
Selling, general and administration expense	254	772
Operating Expenses	833	2,424

7.2.2.2 Schedule of Depreciation & Amortization

Particulars	<i>Amount in US\$ mn</i>	
	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Depreciation	155	456
Amortization	65	195
Depreciation and Amortization	220	651

7.2.2.3 Schedule of Income Tax

Particulars	<i>Amount in US\$ mn</i>	
	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Current tax expense	45	114
Withholding taxes (WHT)	7	18
Deferred tax expense / (income)	(8)	(52)
Income tax expense	44	80

7.3 Consolidated Schedule of Net Debt & Finance Cost

7.3.1 Schedule of Net Debt in INR

Particulars	Amount in Rs mn	
	As at Dec 31, 2012	As at Mar 31, 2012
Long term debt, net of current portion	603,300	497,154
Short-term borrowings and current portion of long-term debt ²⁰	140,806	193,079
Less:		
Cash and Cash Equivalents	27,085	20,300
Restricted Cash	3,160	989
Restricted Cash, non-current	2,074	417
Short term investments ²⁰	68,963	18,132
Net Debt ²⁰	642,825	650,394

7.3.2 Schedule of Net Debt in US\$

Particulars	Amount in US \$ mn	
	As at Dec 31, 2012	As at Mar 31, 2012
Long term debt, net of current portion	11,014	9,718
Short-term borrowings and current portion of long-term debt ²⁰	2,571	3,774
Less:		
Cash and Cash Equivalents	494	397
Restricted Cash	58	19
Restricted Cash, non-current	38	8
Short term investments ²⁰	1,259	354
Net Debt ²⁰	11,735	12,714

Note 20: Includes debt of 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 and short term investments of Rs 31,657 million (US\$ 578 million) from proceeds of Bharti Infratel Limited IPO.

7.3.3 Schedule of Finance Cost

Particulars	Amount in Rs mn	
	Quarter Ended Dec 31, 2012	Nine Months Ended Dec 31, 2012
Interest on borrowings & Finance charges	11,573	33,997
Derivatives and exchange (gain)/loss	2,475	1,119
Investment Income	(729)	(3,367)
Finance cost (net)	13,319	31,749

7.4 Use of Non-GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with IFRS, but this information is not in itself an expressly permitted GAAP measure. Such non - GAAP measures should not be viewed in isolation as alternatives to the equivalent GAAP measures.

A summary of non - GAAP measures included in this report, together with details where additional information and reconciliation to the nearest equivalent GAAP measure can be found, is shown below.

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

7.4.1 Reconciliation of Non-GAAP financial information based on IFRS

Particulars	Amount in Rs mn	
	Quarter Ended Dec 2012	Nine Months Ended Dec 2012
Profit / (Loss) from Operating Activities To EBITDA		
Profit / (Loss) from Operating Activities	22,834	68,698
Add: Depreciation and Amortization	39,005	115,136
EBITDA	61,839	183,834
Reconciliation of Finance Cost		
Finance Cost	14,246	38,894
Finance Income	(927)	(7,145)
Finance Cost (net)	13,319	31,749
Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation		
Profit / (Loss) from Operating Activities	22,834	68,698
Add: Depreciation and Amortization	39,005	115,136
Less: Finance Cost (net)	13,319	31,749
Add: Derivatives and exchange (gain)/loss	2,475	1,119
Cash Profit from Operations	50,995	153,204

ANNEXURE – TRENDS AND POLICIES

A.1 Trends & Ratio Analysis

A.1.1 Based on Statement of Operations

Consolidated

Amount in Rs mn

Parameters	For the Quarter Ended				
	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
Total Revenues	202,395	202,732	193,501	187,294	184,767
Access and interconnection charges	29,156	29,526	27,045	25,658	26,235
Operating Expenses (Excl Access Charges & License Fee)	94,757	93,327	91,788	83,183	83,826
Licence Fee	16,785	16,469	16,300	16,218	15,434
EBITDA	61,839	63,508	58,487	62,329	59,584
Cash profit from operations before Derivative and Exchange Fluctuations	50,995	53,539	48,671	53,581	51,576
Profit / (Loss) before tax	9,515	14,729	12,629	17,056	15,806
Net income	2,837	7,212	7,622	10,059	10,113
	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
As a % of Total Revenues					
Access and interconnection charges	14.4%	14.6%	14.0%	13.7%	14.2%
Operating Expenses (Excl Access Charges & License Fee)	46.8%	46.0%	47.4%	44.4%	45.4%
Licence Fee	8.3%	8.1%	8.4%	8.7%	8.4%
EBITDA	30.6%	31.3%	30.2%	33.3%	32.2%
Cash profit from operations before Derivative and Exchange Fluctuations	25.2%	26.4%	25.2%	28.6%	27.9%
Profit / (Loss) before tax	4.7%	7.3%	6.5%	9.1%	8.6%
Net income	1.4%	3.6%	3.9%	5.4%	5.5%

India & South Asia

Amount in Rs mn

Parameters	For the Quarter Ended				
	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
Total Revenues	142,672	144,187	137,177	134,210	131,628
Access and interconnection charges	19,929	20,342	16,866	15,720	15,371
Operating Expenses (Excl Access Charges & License Fee)	63,603	62,966	62,980	57,462	57,824
Licence Fee	13,806	13,867	13,868	13,829	13,371
EBITDA	45,456	47,097	43,584	47,352	45,225
Profit / (Loss) before tax	12,964	19,716	18,416	18,606	16,955
Net income	8,041	12,601	14,293	13,472	12,703
	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
As a % of Total Revenues					
Access and interconnection charges	14.0%	14.1%	12.3%	11.7%	11.7%
Operating Expenses (Excl Access Charges & License Fee)	44.6%	43.7%	45.9%	42.8%	43.9%
Licence Fee	9.7%	9.6%	10.1%	10.3%	10.2%
EBITDA	31.9%	32.7%	31.8%	35.3%	34.4%
Profit / (Loss) before tax	9.1%	13.7%	13.4%	13.9%	12.9%
Net income	5.6%	8.7%	10.4%	10.0%	9.7%

Africa

Amount in US\$ mn

Parameters	For the Quarter Ended				
	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
Total Revenues	1,133	1,097	1,066	1,071	1,057
Access and interconnection charges	200	193	206	208	216
Operating Expenses (Excl Access Charges & License Fee)	579	558	541	518	521
Licence Fee	55	47	45	48	41
EBITDA	300	298	275	298	282
Profit / (Loss) before tax	(64)	(90)	(108)	(30)	(26)
Net income	(96)	(97)	(124)	(67)	(52)
Interest expense on acquisition loans	43	46	47	50	43
Net income from operations	(53)	(51)	(77)	(17)	(9)

Parameters	For the Quarter Ended				
	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
Exchange Fluctuation Impact					
Reported revenues (US \$)	1,133	1,097	1,066	1,071	1,057
a. QoQ growth (%)	3.37%	2.84%	-0.45%	1.30%	2.62%
b. Impact of exchange fluctuation (%) ²¹	-0.07%	-0.79%	-1.55%	-1.55%	2.62%
c. QoQ growth in constant currency (%) (a - b)	3.44%	3.63%	1.10%	2.85%	0.00%
Revenues in constant currency (US \$) ²²	1,133	1,096	1,057	1,046	1,017

Note 21: Based on QoQ variation and weighted on the revenues of each country for the current quarter

Note 22: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended December'12.

	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
As a % of Total Revenues					
Access and interconnection charges	17.6%	17.6%	19.3%	19.4%	20.4%
Operating Expenses (Excl Access Charges & License Fee)	51.1%	50.9%	50.7%	48.4%	49.3%
Licence Fee	4.8%	4.3%	4.2%	4.4%	3.9%
EBITDA	26.5%	27.2%	25.8%	27.8%	26.7%
Profit / (Loss) before tax	-5.7%	-8.2%	-10.1%	-2.8%	-2.5%
Net income from operations	-4.7%	-4.6%	-7.2%	-1.7%	-0.9%

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.

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Dec 2012	Sep 2012	Jun 2012	Mar 2012	Dec 2011
Total revenues	109,364	111,170	106,848	105,096	101,764
EBITDA	33,083	34,437	32,350	35,696	34,431
<i>EBITDA / Total revenues</i>	30.3%	31.0%	30.3%	34.0%	33.8%
EBIT	16,713	18,438	17,012	21,415	20,176
Capex	7,029	17,345	19,411	4,745	1,878
Operating Free Cash Flow	26,054	17,092	12,939	30,951	32,554
Cumulative Investments	757,295	747,459	711,311	678,860	674,005

Note 23: Effective quarter ended Jun'12, Cumulative investments include investments in 4G earlier reported under Telemedia services. Previous quarters' have been restated accordingly.

Telemedia Services

Particulars	Quarter Ended				
	Dec 2012	Sep 2012	Jun 2012	Mar 2012	Dec 2011
Total revenues	9,566	9,529	9,442	9,159	9,128
EBITDA	4,165	4,039	3,809	3,777	3,542
<i>EBITDA / Total revenues</i>	43.5%	42.4%	40.3%	41.2%	38.8%
EBIT	1,642	1,803	1,333	1,540	1,287
Capex	2,244	1,492	2,081	1,496	1,470
Operating Free Cash Flow	1,921	2,547	1,728	2,281	2,072
Cumulative Investments	99,016	96,817	95,305	93,317	91,792

Note 24: 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

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Dec 2012	Sep 2012	Jun 2012	Mar 2012	Dec 2011
Total revenues	4,280	3,937	3,658	3,565	3,327
EBITDA	147	33	(23)	209	90
<i>EBITDA / Total revenues</i>	3.4%	0.8%	-0.6%	5.9%	2.7%
EBIT	(1,828)	(2,228)	(2,265)	(1,944)	(1,955)
Capex	1,351	1,630	3,241	981	1,503
Operating Free Cash Flow	(1,204)	(1,597)	(3,264)	(772)	(1,413)
Cumulative Investments	39,245	37,876	35,402	32,980	32,586

Airtel Business

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Dec 2012	Sep 2012	Jun 2012	Mar 2012	Dec 2011
Total revenues	14,219	13,934	11,906	11,209	11,881
EBITDA	2,298	2,148	1,963	1,631	2,008
<i>EBITDA / Total revenues</i>	16.2%	15.4%	16.5%	14.5%	16.9%
EBIT	888	770	591	181	713
Capex	139	458	166	338	458
Operating Free Cash Flow	2,159	1,690	1,797	1,293	1,550
Cumulative Investments	42,806	42,268	42,927	42,493	44,404

Tower Infrastructure Services

Amount in Rs mn except ratios

Particulars	Quarter Ended				
	Dec 2012	Sep 2012	Jun 2012	Mar 2012	Dec 2011
Total revenues	26,350	25,567	24,048	24,183	24,393
EBITDA	9,761	9,577	8,788	9,346	9,110
<i>EBITDA / Total revenues</i>	37.0%	37.5%	36.5%	38.6%	37.3%
EBIT	4,200	4,090	3,420	3,930	3,758
Capex	4,062	5,679	4,283	3,427	2,440
Operating Free Cash Flow	5,699	3,898	4,504	5,919	6,670
Cumulative Investments	246,740	243,664	238,467	234,730	231,533

Others

Amount in Rs mn

Particulars	Quarter Ended				
	Dec 2012	Sep 2012	Jun 2012	Mar 2012	Dec 2011
Total revenues	782	946	817	738	666
EBITDA	(3,010)	(2,249)	(2,495)	(2,505)	(3,139)
EBIT	(3,192)	(2,336)	(2,624)	(2,631)	(3,243)
Capex	330	2,353	126	13	66
Operating Free Cash Flow	(3,340)	(4,602)	(2,621)	(2,519)	(3,205)
Cumulative Investments	10,432	9,576	7,365	7,013	9,690

Africa - Comprises of 17 country operations in Africa.

Amount in US\$ mn except ratios

Particulars	Quarter Ended				
	Dec 2012	Sep 2012	Jun 2012	Mar 2012	Dec 2011
Total revenues	1,133	1,097	1,066	1,071	1,057
EBITDA	300	298	275	298	282
<i>EBITDA / Total revenues</i>	26.5%	27.2%	25.8%	27.8%	26.7%
EBIT	80	80	62	102	58
Capex	160	210	119	254	265
Operating Free Cash Flow	140	88	156	44	17
Cumulative Investments	13,425	13,274	13,041	13,432	13,049

A.1.3 Based on Statement of Financial Position

Consolidated

Amount in Rs mn

Parameters	As at				
	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
Equity attributable to equity holders of parent	516,274	493,070	495,150	506,113	491,733
Net Debt	642,825	667,600	682,983	650,394	677,628
Net Debt (US \$)	11,735	12,669	12,129	12,714	12,722
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,159,098	1,160,670	1,178,133	1,156,507	1,169,361

Parameters	Dec-12	Sep-12	Jun-12	Mar-12	Dec-11
Return on Equity attributable to equity holders of parent (LTM)	5.6%	7.1%	7.7%	8.6%	9.5%
Return on Capital Employed (LTM)	6.0%	6.2%	6.6%	7.2%	7.3%
Net Debt to EBITDA (LTM) - US \$	2.55	2.72	2.54	2.56	2.58
Net Debt to EBITDA (Annualised) - US \$	2.58	2.75	2.80	2.56	2.71
Assets Turnover ratio (LTM)	69.3%	69.7%	68.6%	67.3%	64.8%
Interest Coverage ratio (times)	6.35	6.40	6.29	7.55	8.08
Net debt to Equity attributable to equity holders of parent (Times)	1.25	1.35	1.38	1.29	1.38
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	0.75	1.90	2.01	2.65	2.66
Net profit/(loss) per diluted share (in Rs)	0.75	1.90	2.01	2.65	2.66
Book Value Per Equity Share (in Rs)	135.9	129.8	130.4	133.3	129.5
Market Capitalization (Rs. bn)	1,203	1,006	1,158	1,279	1,302
Enterprise Value (Rs. bn)	1,846	1,673	1,841	1,929	1,980

A.1.4 Operational Performance – India

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Total Customers Base	000's	193,094	196,652	197,974	191,777	186,039
Mobile Services						
Customer Base	000's	181,922	185,922	187,302	181,279	175,653
VLR	%	95.0%	91.5%	90.8%	91.7%	90.0%
Net Additions	000's	(4,000)	(1,380)	6,023	5,626	2,870
Pre-Paid (as a % of total Customer Base)	%	95.8%	96.0%	96.2%	96.3%	96.3%
Monthly Churn	%	5.9%	8.5%	8.8%	8.8%	7.9%
Average Revenue Per User (ARPU)	Rs	185	177	185	189	187
Average Revenue Per User (ARPU)	US\$	3.4	3.2	3.4	3.8	3.7
Total Revenue / Minutes on Network	paisa	42.5	42.6	42.7	43.8	44.6
Revenue per site per month	Rs	261,900	260,380	275,647	280,332	274,637
Voice						
Minutes on the network	Mn	240,814	234,224	239,338	230,365	219,152
Voice Average Revenue Per User (ARPU)	Rs	153	148	154	158	157
Voice Usage per customer	min	435	417	433	431	419
Voice Realization per minute	paisa	35.2	35.4	35.7	36.7	37.5
Non Voice Revenue						
% of Mobile revenues	%	17.3%	16.8%	16.3%	16.2%	15.8%
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.9%	10.1%	10.8%	11.0%	11.3%
Data as % of Mobile revenues	%	5.7%	5.2%	4.3%	4.1%	3.5%
Others as % of Mobile revenues	%	1.7%	1.5%	1.2%	1.1%	1.0%
Data						
Data Customer Base	000's	41,480	40,600	38,660	35,780	NA
<i>Of which no. of 3G data customers</i>	000's	5,187	4,014	3,713	2,711	NA
<i>As % of Customer Base</i>	%	22.8%	21.8%	20.6%	19.7%	NA
Total MBs on the network	Mn MBs	19,777	15,879	12,566	10,006	NA
Data Average Revenue Per User (ARPU)	Rs	47	43	40	44	NA
Data Usage per customer	MBs	161	133	112	107	NA
Data Realization per MB	paisa	29.3	32.4	35.3	40.9	NA
Telemedia Services						
Telemedia Customers	000's	3,278	3,275	3,272	3,270	3,317
<i>Of which no. of Broadband (DSL) customers</i>	000's	1,382	1,380	1,371	1,369	1,357
<i>As % of Customer Base</i>	%	42.2%	42.1%	41.9%	41.9%	40.9%
Net Additions	000's	4	3	2	(47)	(11)
Average Revenue Per User (ARPU)	Rs	973	971	962	933	916
Average Revenue Per User (ARPU)	US\$	17.9	17.6	17.8	18.6	18.1
Non Voice Revenue as % of Telemedia Revenues	%	57.6%	55.4%	54.3%	55.8%	54.8%
Digital TV						
Digital TV Customers	000's	7,894	7,455	7,400	7,228	7,069
Net additions	000's	439	55	172	159	455
Average Revenue Per User (ARPU)	Rs	186	177	166	166	160
Average Revenue Per User (ARPU)	US\$	3.4	3.2	3.1	3.3	3.2
Monthly Churn	%	1.3%	1.9%	1.7%	1.2%	1.2%

Note 25: In the quarter ended Sep 30, 2012, the Group was awarded a favourable order by TDSAT in respect of outstanding dispute pertaining to inter-connect agreements, for which accounting had 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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Mobile Services	Mn Min	240,814	234,224	239,338	230,365	219,152
Telemedia Services	Mn Min	3,958	4,156	4,162	4,145	4,186
National Long Distance Services	Mn Min	23,216	22,997	22,241	21,588	20,551
International Long Distance Services	Mn Min	4,303	4,340	3,362	3,518	3,529
Total Minutes on Network (Gross)	Mn Min	272,291	265,717	269,103	259,615	247,418
Eliminations	Mn Min	(23,491)	(23,282)	(22,525)	(21,926)	(20,904)
Total Minutes on Network (Net)	Mn Min	248,800	242,435	246,578	237,688	226,514

A.1.6 Coverage and Network Trends - India

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Mobile Services						
Census Towns	Nos	5,121	5,121	5,121	5,118	5,116
Non-Census Towns & Villages	Nos	458,727	457,053	455,575	454,302	453,294
Population Coverage	%	86.7%	86.6%	86.5%	86.4%	86.4%
Optic Fibre Network	R Kms	166,506	162,457	159,762	157,886	154,744
Sites on Network	Nos	131,450	129,411	126,010	120,905	119,044
<i>Of which no. of 3G sites</i>	Nos	22,515	20,333	18,012	16,162	14,751
Telemedia Services						
Cities covered	Nos	87	87	87	87	87
Airtel Business						
Submarine cable systems	Nos	7	7	7	7	7
Digital TV Services						
Districts Covered	Nos	632	632	616	609	587
Coverage	%	99%	99%	96%	95%	92%

A.1.7 Tower Infrastructure Services ²⁹

A.1.7.1 Bharti Infratel Consol

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Total Towers ²⁶	Nos	81,389	80,656	79,452	79,064	79,012
Total Co-locations ²⁶	Nos	156,336	154,296	151,458	149,908	148,701
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	35,225	34,449	33,388	34,824	35,021
Average Sharing Factor	Times	1.92	1.91	1.90	1.89	1.87

Note 26: 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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Total Towers ²⁷	Nos	34,668	34,220	33,446	33,147	33,094
Total Co-locations ²⁷	Nos	63,080	62,027	60,714	60,160	60,357
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,863	36,839	36,170	37,151	37,493
Average Sharing Factor	Times	1.82	1.81	1.82	1.82	1.81

Note 27: 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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Total Towers ²⁸	Nos	111,240	110,561	109,539	109,325	109,328
Total Co-locations ²⁸	Nos	222,038	219,687	216,058	213,685	210,343
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	31,969	31,711	29,777	32,114	32,083
Average Sharing Factor	Times	1.99	1.98	1.96	1.94	1.91

Note 28: 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 29: 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.

A.1.8 Human Resource Analysis - India

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Consolidated						
Total Employees ³⁰	Nos	17,801	15,579	15,256	14,935	15,141
Number of Customers per employee	Nos	10,847	12,623	12,977	12,841	12,287
Personnel Cost per employee per month	Rs	108,030	118,425	118,119	110,252	104,443
Gross Revenue per employee per month ³⁰	Rs	2,593,711	2,896,814	2,935,716	2,937,785	2,843,124

Note 30: 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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Customer Base	000's	61,687	58,667	55,855	53,140	50,949
VLR	%	86.1%	85.8%	85.3%	84.5%	87.4%
Net Additions	000's	3,020	2,812	2,715	2,191	2,512
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%	99.3%	99.3%	99.3%
Monthly Churn	%	5.1%	5.1%	5.1%	5.3%	5.4%
Average Revenue Per User (ARPU)	US\$	6.2	6.4	6.5	6.8	7.1
Total Revenue / Minutes on Network	US¢	4.3	4.6	5.4	5.6	5.7
Revenue per site per month	US\$	22,725	22,872	23,134	24,522	25,225
Voice						
Minutes on the network	Mn	26,174	23,646	19,651	19,131	18,496
Voice Average Revenue Per User (ARPU)	US\$	5.3	5.5	5.7	6.1	6.5
Voice Usage per customer	min	144	138	120	122	125
Voice Realization per minute	US¢	3.7	4.0	4.7	5.0	5.2
Non Voice Revenue						
% of Mobile revenues	%	15.1%	13.0%	12.9%	10.6%	9.4%
Of Which						
Messaging & VAS as % of Mobile revenues	%	7.8%	6.9%	7.0%	5.6%	5.3%
Data as % of Mobile revenues	%	3.9%	3.6%	3.4%	3.2%	2.5%
Others as % of Mobile revenues	%	3.3%	2.5%	2.5%	1.8%	1.6%
Data						
Data Customer Base	000's	14,107	13,935	NA	NA	NA
As % of Customer Base	%	22.9%	23.8%	NA	NA	NA
Total MBs on the network	Mn MBs	2,450	2,145	NA	NA	NA
Data Average Revenue Per User (ARPU)	US\$	1.1	1.0	NA	NA	NA
Data Usage per customer	MBs	58.3	56.2	NA	NA	NA
Data Realization per MB	US¢	1.9	1.7	NA	NA	NA

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

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Average Revenue Per User (ARPU)	US\$	6.2	6.4	6.5	6.7	6.9
Total Revenue / Minutes on Network	US¢	4.3	4.6	5.4	5.5	5.5
Voice Average Revenue Per User (ARPU)	US\$	5.3	5.5	5.6	6.0	6.2
Voice Realization per minute	US¢	3.7	4.0	4.7	4.9	5.0

A.1.11 Coverage and Network Trends - Africa

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Sites on Network	Nos	16,371	15,979	15,439	14,831	14,112
<i>Of which no. of 3G sites</i>	<i>Nos</i>	<i>5,527</i>	<i>5,347</i>	<i>4,787</i>	<i>3,205</i>	<i>NA</i>

A.1.12 Human Resource Analysis - Africa

Parameters	Unit	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Total Employees	Nos	4,889	4,984	4,907	4,792	4,773
Number of Customers per employee	Nos	12,618	11,771	11,383	11,089	10,674
Personnel Cost per employee per month	US\$	6,211	6,015	5,436	6,006	5,783
Gross Revenue per employee per month	US\$	77,280	73,335	72,831	75,800	73,835

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.

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

Land is not depreciated. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses arising from retirement or disposal of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of comprehensive income on the date of retirement and disposal.

Costs of additions and substantial improvements to property and equipment are capitalized. The costs of maintenance and repairs of property and equipment are charged to operating expenses.

3. Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognized at the date of acquisition. Goodwill on acquisition of subsidiaries is disclosed separately. Goodwill arising on accounting for jointly controlled entities or entities in which the Group exercises significant influence is included in investments in the related associates/jointly controlled entities.

Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each date of statement of financial position. Goodwill is not subject to amortization but is tested for impairment annually and when circumstances indicate, the carrying value may be impaired. Negative goodwill arising on an acquisition is recognized directly in the statement of comprehensive income.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognized in the statement of comprehensive income on disposal.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill are not reversed in future periods.

4. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Gains or losses resulting from foreign currency transactions are included in the consolidated statement of comprehensive income.

The assets and liabilities of foreign operations are translated into functional currency of parent (i.e. INR) at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at average exchange rates prevailing during the period. The exchange differences arising on the translation are recognized in 'foreign currency translation reserve (FCTR)'. Exchange differences arising on a monetary item that forms part of Group entity's net investment in a foreign operation is recognized in profit or loss in the separate financial statements of the Group entity or the individual financial statements of the foreign operation, as appropriate. In the consolidated financial statements, such exchange differences are recognized in other comprehensive income. On disposal of a foreign operation (reduction in percentage ownership interest), the component of FCTR relating to that

particular foreign operation is recognized in the statement of comprehensive income.

5. Capital leases

Lessee accounting

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in the statement of comprehensive income.

Amortization of leased assets is computed on straight line basis over the shorter of useful life of the assets or remaining lease period. Amortization charge for capital leases is included in depreciation expense for the period.

Lessor accounting

Assets leased to others under capital leases are recognized as receivables at an amount equal to the net investment in the leased assets. The finance income is recognized based on periodic rate of return on the net investment of the lessor outstanding in respect of the capital lease.

6. Indefeasible right to use (IRU)

The Group enters into agreements for leasing assets under 'Indefeasible right to use' with third parties. Under the arrangement the assets are taken or given on lease over the substantial part of the asset life. However the title to the assets and associated risks are retained by the lessor. Hence, such arrangements are recognized as operating lease. Direct expenditures incurred in connection with agreements are capitalized and expensed over the term of the agreement.

The contracted price is received in advance and is recognized as revenue during the period of the agreement. Unearned IRU revenue net of the amount recognizable within one year is disclosed as unearned income in non-current liabilities and the amount recognizable within one year as unearned income in current liabilities.

Exchange of network capabilities with other telecommunication service providers are recorded as non-monetary transactions and measured at the carrying amount of capacities relinquished, as these exchanges are for similar productive assets used to provide telecommunication services to customers.

7. Impairment of long – lived assets and intangible assets

The Group reviews its long-lived assets, including identifiable intangibles with finite lives, for impairment whenever events or changes in business circumstances

indicate that the carrying amount of assets may not be fully recoverable. Such circumstances include, though are not limited to, significant or sustained declines in revenues or earnings and material adverse changes in the economic climate. For assets that the Group intends to hold for use, if the total of the expected future undiscounted cash flows produced by the asset or asset Group is less than the carrying amount of the assets, a loss is recognized for the difference between the fair value and carrying value of the assets. For assets the Group intends to dispose of by sale, a loss is recognized for the amount by which the estimated fair value, less cost to sell, is less than the carrying value of the assets. Fair value is determined based on quoted market prices, if available, or other valuation techniques including discounted future net cash flows.

8. Revenue recognition

(i) Service revenues

Service revenues include amounts invoiced for usage charges, fixed monthly subscription charges and VSAT/internet usage charges, roaming charges, activation fees, processing fees and fees for value added services ('VAS'). Service revenues also include revenues associated with access and interconnection for usage of the telephone network of other operators for local, domestic long distance and international calls.

Service revenues are recognized as the services are rendered and are stated net of discounts, waivers and taxes. Revenues from pre-paid cards are recognized based on actual usage. Activation revenue and related activation costs, not exceeding the activation revenue, are deferred and amortized over the estimated customer relationship period. The excess of activation costs over activation revenue, if any, are expensed as incurred. Subscriber acquisition costs are expensed as incurred. On introduction of new prepaid products, processing fees on recharge coupons is being recognized over the estimated customer relationship period or coupon validity period, whichever is lower.

Service revenues from the internet and VSAT business comprise revenues from registration, installation and provision of internet and satellite services. Registration fee and installation charges are deferred and amortized over their expected customer relationship period of 12 months. Service revenue is recognized from the date of satisfactory installation of equipment and software at the customer site and provisioning of internet and satellite services. Revenue from prepaid dialup packs is recognized on an actual usage basis and is net of sales returns and discounts.

Revenues from national and international long distance operations comprise revenue from provision of voice services which are recognized on completion of services while revenue from provision of bandwidth services is recognized over the period of arrangement.

Unbilled receivables represent revenues recognized from the bill cycle date to the end of each month. These are billed in subsequent periods based on the terms of the billing plans.

Unearned income includes amounts received in advance on pre-paid cards and advance monthly rentals on post-paid. The related services are expected to be performed within the next operating cycle.

(ii) Equipment sales

Equipment sales consist primarily of revenues from sale of VSAT and internet equipment (hardware) and related accessories to subscribers. Equipment sales are treated as activation revenue and are deferred and amortized over the customer relationship period.

(iii) Multiple element arrangements

The Group has entered into certain multiple-element revenue arrangements. These arrangements involve the delivery or performance of multiple products, services or rights to use assets including VSAT and internet equipment, internet and satellite services, set top boxes and subscription fees on DTH, 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 resultant change in the Company's interest in the net assets of that subsidiary is recognized directly in consolidated statement of changes in equity.

GLOSSARY

Technical and Industry Terms

Company Related	
3G	Third Generation of Mobile Telephony.
3G Customers	Customer who made at least one revenue generating call or a data session of more than zero Kbs on 3G network in the last 30 days
3G Data Customers	A customer who used at least one data session of more than zero Kbs on 3G network in the last 30 days
Average Revenue per User (ARPU)	Average revenue per customer per month is computed by: dividing the total revenues (including sale of goods) during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Asset Turnover	Asset Turnover is defined as total revenues, for the preceding (last) 12 months from the end of the relevant period, divided by average assets. Asset is defined as the sum of non-current assets and net current assets. Net current assets are computed by subtracting current liabilities from current assets. Average assets are calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period.
Average Customers	Average customers are derived by computing the average of the monthly average customers for the relevant period.
Average Co-locations	Average co-locations are derived by computing the average of the Opening and Closing co-locations for the relevant period. <i>(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)</i>
Average Sharing Factor	It is calculated as the average of the opening and closing number of co-locations divided by the average of the opening and closing number of towers for the relevant period. <i>(Erstwhile definition of Tenancy Ratio: It is computed by dividing average sharing operators by average towers)</i>
Average Towers	Average towers are derived by computing the average of the Opening and Closing towers for the relevant period <i>(Erstwhile definition: Average towers are derived by computing the average of the monthly average towers for the relevant period)</i>
Bn	Billion
Book Value Per Equity Share	Total stockholder's equity as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period.
Capex	It includes investment in gross fixed assets and capital work in progress for the quarter.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity holders of parent and net debt.
Cumulative Investments	Cumulative Investments comprises of gross value of property, plant & equipment (including CWIP & capital advances) and intangibles including investment in associates.
Cash Profit From Operations before Derivative & Exchange Fluctuation	It is not an IFRS measure and is defined as operating income adjusted for depreciation and amortization, pre-operating costs, interest expense and interest income before adjusting for derivative & exchange (gain)/ loss.
Churn	Churn is calculated by dividing the total number of disconnections during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Co-locations	Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower, 'co-location' refers to that single operator. Co-locations as referred to are revenue generating Co-locations. <i>(Erstwhile definition of Tenancies: It is the sum of all operators sharing total towers)</i>

Customer Base	Customer who made at least one revenue generating call or a data session of more than zero Kbs on 2G / 3G / 4G network in the last 30 days.
Customers Per Employee	Number of customers on networks of a business unit as at end of the relevant period divided by number of employees in the respective business unit as at end of the relevant period.
Data as % of Mobile Revenue	It is computed by dividing the 'data' revenues by the total revenues of mobile services for the relevant period. Data revenue includes revenue from use of data session on GPRS / 3G including blackberry.
Data ARPU	Average revenue per data customer per month is computed by: dividing the total data revenues during the relevant period by the average data customers; and dividing the result by the number of months in the relevant period.
Data Customer Base	A customer who used at least one data session of more than 0 Kbs on GPRS / 3G network in the last 30 days.
Data Usage per Customer	It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period.
Data Realization per MB	It is computed by dividing the Data revenues by total MBs consumed on the network.
DTH / Digital TV Services	Direct to Home broadcast service
Earnings Per Basic Share.	It is computed by dividing net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year.
Earnings Per Diluted Share	Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above).
EBITDA	Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not a IFRS measure and is defined as operating income adjusted for depreciation and amortization and pre-operating costs.
EBITDA Margin	It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.
EBIT	Earnings / (Loss) before interest, taxation for the relevant period.
Enterprise Valuation (EV)	Calculated as sum of Market Capitalization plus Net Debt as at the end of the relevant period.
EV / EBITDA (times)	Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (annualized).
Gross Revenue per Employee per month	It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.
ILD	International Long Distance Services.
Intangibles	Comprises of goodwill, software, bandwidth, one-time entry fee paid towards acquisition of licenses, distribution network and customer relationships.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.
IPTV	Internet Protocol TV. IPTV is the method of delivering and viewing television programmes using an IP transmission and service infrastructure, which can deliver digital television to the customers. IPTV when offered using an IP network and high speed broadband technology becomes interactive because of availability of return path and is capable of providing Video on Demand (VOD), time shifted television and many other exciting programmes.

KPI	Key Performance Indicators
LTM	Last twelve months.
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (BSE) as at end of the period.
Mn	Million
Messaging & VAS as % of Mobile Revenue	It is computed by dividing 'messaging and VAS' revenue by the total revenues of mobile services for the relevant period. Messaging revenue includes revenue from exchange of text or multimedia messages (MMS) as well as termination revenues from other operators. VAS revenue includes revenue from hello tunes, ring tones, music downloads etc.
MNP	Mobile 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 transreceivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period.
Net Debt	It is not a IFRS measure and is defined as the long-term debt, net of current portion plus short-term borrowings and current portion of long-term debt minus cash and cash equivalents, restricted cash, restricted cash non-current and short-term investments as at the end of the relevant period.
Net Debt to EBITDA (LTM)	It is computed by dividing net debt as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
Net Debt to EBITDA (Annualized)	It is computed by dividing net debt as at the end of the relevant period by EBITDA for the relevant period (annualized).
Net Debt to Funded Equity Ratio	It is computed by dividing net debt as at the end of the relevant period by Equity attributable to equity holders of parent as at the end of the relevant period.
Net Income from operations	It is calculated by adding back the interest expense on loans taken for the Africa acquisition to the net income of Africa.
Net Revenues	It is not IFRS measure and is defined as total revenues adjusted for access charges 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. <i>(Erstwhile definition: It is computed by dividing gross revenue less energy & other pass through, from Tower Infrastructure services by average sharing operators)</i>
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. <i>(Erstwhile definition: It is the sum of ground based towers, roof top towers and others)</i>
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

CCK	Communications Commission of Kenya
DoT	Department of Telecommunications
IP	Internet Protocol
QoS	Quality of Service
TRAI	Telecom Regulatory Authority of India
UAS	Unified Access Service
UASL	Unified Access Service License
USSD	Unstructured Supplementary Services Data
VSAT	Very Small Aperture Terminals

Others (Industry)

BSE	The Stock Exchange, Mumbai
CMAI	Communication Multimedia & Infrastructure
RBI	Reserve Bank of India
GSM	Global System for Mobile Communications.
CDMA	Code Division Multiple Access
DSL	Digital Subscriber Line
ICT	Information and Communication Technology
GAAP	Generally Accepted Accounting Principles
MMS	Multimedia Messaging Service
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
NSE	The National Stock Exchange of India Limited.
Sensex	Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986.
SMS	Short Messaging Service.

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