

BHARTI TELE-VENTURES BECOMES PAT POSITIVE

Bharti declares results for quarter and year ended March 31, 2003

- **Fourth quarter becomes PAT positive (PAT of Rs. 26 crores)**
- **Revenue for FY03 is Rs. 3,083 crores – a year-on-year growth of 107%. EBITDA for the same period is Rs.771 crores – representing 93% growth**
- **Bharti consolidates its market leadership position, with a market share of 24.2% of all India mobile customer base, up from 21% at the end March'02**
- **“AirTel” more than doubles its customer base to 3.1 million as on March 31, 2003, from 1.35 million as on March 31, 2002**
- **Revenue for the fourth quarter was Rs. 1,040 crores – a sequential growth of 23% over Q3. EBITDA for the quarter was Rs. 271 crores – a growth of 13%**

New Delhi, April 23, 2003 – Bharti Tele-Ventures Limited has grown over 100% in revenues for the year as it announced today its un-audited results for the year & quarter ended March 31, 2003.

During Q4, the Company has become PAT positive. Bharti has achieved a net profit of Rs. 26 crores in the fourth quarter against a net loss of Rs. 7 crores in the previous quarter ended December 31, 2002. This has been achieved much earlier than the market expectations.

During the quarter ended March 31, 2003, the company for the first time crossed Rs. 1,000 crore-mark in revenues.

Parameters	Financials in (Rs crores)					
	Quarter Ended			Year Ended		
	March 31, 2003	December 31, 2002	Q4-on-Q3 Growth	March 31, 2003	March 31, 2002	Y-on-Y Growth
Revenue	1,040	847	23%	3,083	1,486	107%
EBITDA	271	240	13%	771	399	93%
Cash Profit from operations	204	164	24%	489	309	58%
Earnings before Tax	28	(8)	-	(178)	(104)	
Net profit / (loss)	26	(7)	-	(178)	(122)	

The financial year 2002-03 has been an extremely challenging one for the company and the telecom sector. The company, over the past eighteen months, has launched 16 new projects and is facing an extremely competitive environment. The company turned PAT positive in the last quarter of fiscal 2003. This has been possible despite significant pricing adjustments including mobile-to-mobile incoming free, introduction of schemes which incorporate incoming calls free for new customers, reduction in national long distance rates and introducing discounts on international long distance calls. Bharti's customer base has grown from 1.5 million to 3.4 million within a period of twelve months.

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Parameters	Year Ended		
	March 31, 2003	March 31, 2002	Y-on-Y Growth
Customers (Nos.)	3,443,436	1,514,935	127%
Mobile	3,071,463	1,350,960	127%
Fixed line	371,973	163,975	127%
Net Additions (Nos.)	1,928,501	732,815	163%
Mobile	1,720,503	675,955	155%
Fixed line	207,998	56,860	266%
Our Market share - Mobile	24.2%	21.0%	

During the quarter, the company arranged international funding of over Rs.1,550 crores. This is the largest funding in the telecom sector in the recent times.

The funded equity of the company as on March 31, 2003 was approximately Rs. 5,190 crores, while the net debt was Rs. 3,197 crores resulting in a net debt to funded equity of 0.62 only.

Commenting on the key achievements of the year **Mr. Rajan Bharti Mittal, Joint Managing Director, Bharti Tele-Ventures** said, “the results reflect the benefit of integrated strategy adopted by Bharti which has enabled us to deliver significant value to our customers. Bharti has had over 100% growth in revenues this year, thanks to the consistent efforts put in by every employee - we have been able to provide best value to our customers, as well as, investors by enhancing operational efficiencies in our businesses. We had 127% growth in the subscriber base in both Mobile and Fixed Line operations”.

Speaking on the occasion **Mr. Akhil Gupta, Joint Managing Director, Bharti Tele-Ventures** said, “We have achieved positive PAT, much earlier than the market expectations. The key achievement of the quarter has also been funding arrangement of over Rs 1,550 crores, which has enabled the company to be equipped with all key resources to take leadership position in the face of market expansion and customer growth”.

About Bharti

Bharti Tele-Ventures is India’s leading private sector provider of telecommunications services with an aggregate of 3,443,436 customers as of March 31, 2003, consisting of approximately 3,071,463 mobile and 371,973 fixed line customers. Bharti is the largest mobile operator in the country with all India market share of 24.2% (as on March 31, 2003). Mobile services constitute the largest portion of Bharti’s business both in terms of total revenues and customers. The company also provides fixed-line, long distance, group data and enterprise services including VSAT and Internet services.

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The company seeks to capitalize on the growth opportunities that it believes are available in the Indian market and consolidate its position to be an integrated telecommunications service provider, with a focus on mobile services.

For the year ended March 31, 2003, the company's revenue and EBITDA as per un-audited IAS accounts were Rs.3,083 crore (US\$ 649 million) and Rs.771 crore (US\$ 162 million), respectively. As on March 31, 2003, the company has made a gross investment of over Rs. 9,700 crores (US \$ 2 billion) in building Indian Telecom.

The Company today offers mobile services in fifteen out of 22 circles in India. As of March 31, 2003, approximately 91% of India's total mobile customers resided in Bharti's mobile circles, according to COAI reports. Bharti Tele-Ventures was the first private sector operator to provide fixed-line services in India when it commenced providing services in the Madhya Pradesh & Chattisgarh circle in June 1998. BTVL also provides fixed-line services in Haryana, Delhi, Tamil Nadu and Karnataka circles.

The company complements its mobile and fixed-line services with national and international long distance services. The company also has a submarine cable landing station at Chennai, which connects the submarine cable connecting Chennai and Singapore. The long distance and data enterprise services has enormous support from this connectivity and facilitates BTVL in offering best value to its customers

The company provides reliable end-to-end data & enterprise services to the corporate customers by leveraging its nationwide fiber optic backbone, last mile connectivity in fixed-line and mobile circles, VSATs, ISP and international bandwidth access through its gateways and landing station.

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