

BHARTI TELE-VENTURES LIMITED

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

Financial Results for the quarter and half year ended September 30, 2004

1. Consolidated Financial Results as per International Financial Reporting Standards (IFRS)- Unaudited

(In Rs. Crores, except ratios)

Particulars	Quarter Ended		Half Year Ended	
	Sept. 2004	Sept. 2003	Sept. 2004	Sept. 2003
Revenues				
Service Revenue	1,836.54	1,126.72	3,515.79	2,154.40
Equipment Sales	23.23	17.74	48.64	26.11
Total revenues	1,859.77	1,144.46	3,564.43	2,180.51
Other income	1.49	1.82	7.03	2.64
Access and interconnection charges	379.07	246.22	771.48	519.56
Equipment Costs	24.04	15.26	51.05	20.85
Employee costs	123.84	92.11	235.11	175.98
Other costs	445.57	285.53	845.14	561.19
Licence fee	186.15	128.75	340.38	237.53
Pre-operating costs	14.47	(0.00)	22.32	(0.00)
Depreciation & amortisation	249.41	213.75	478.98	409.36
Donations	0.27	-	0.86	-
Operating Income	438.43	164.65	826.15	258.68
Loss of Join Venture and/ or Associate Company	2.22	-	2.69	-
Finance costs (net)	40.36	70.66	119.78	133.81
Earnings / (Loss) before taxation	395.85	93.99	703.67	124.87
Income tax expense / (income)	62.19	0.05	73.66	0.07
Profit / (loss) to minority shareholders	(0.04)	0.56	0.19	0.49
Net profit/(loss)	333.70	93.39	629.83	124.32

Note: Any discrepancies in any table between totals and sums of the amounts listed are due to rounding.

Ratios:				
Total Stockholders equity	5,927.76	4,663.55	5,927.76	4,663.55
Net Debt	3,854.89	3,830.43	3,854.89	3,830.43
Net Debt to EBITDA (LTM)	1.66	3.29	1.66	3.29
Issued, subscribed and fully paid up share capital (Face value of Rs. 10)	1,853.37	1,853.37	1,853.37	1,853.37
Earning Per Share Data: (Rs.)				
Net profit/(loss) per common share	1.80	0.50	3.40	0.67
Net profit/(loss) per diluted share	1.75	0.50	3.33	0.67

'LTM' denotes Last Twelve Months

Notes:

- Bharti Cellular Limited, a subsidiary of Bharti Tele-Ventures (BTVL), which holds Unified Access Service Licences (UASL) for providing telecom services, has formally launched its commercial operations in following new circles:
 U.P. (East) - 30 August 2004
 West Bengal - 15 October 2004
 Jammu and Kashmir - 20 October 2004

2. Segment information as per International Financial Reporting Standards (IFRS)-Unaudited

(In Rs. Crores)

Particulars	Quarter Ended		Half Year Ended	
	Sept. 2004	Sept. 2003	Sept. 2004	Sept. 2003
1. Segment Revenue				
Mobile Services	1,239.66	756.57	2,338.51	1,413.19
Broadband & Telephone Services	281.32	192.07	521.91	346.52
Long Distance Services	438.66	271.01	868.07	536.88
Enterprise Services	128.71	56.65	244.96	93.20
Total	2,088.35	1,276.30	3,973.45	2,389.79
Eliminations	228.58	131.84	409.02	209.28
Consolidated	1,859.77	1,144.46	3,564.43	2,180.51
2. Operating Profit before Interest, Depreciation, Tax, Amortization and Pre-operating Expenses				
Mobile Services	415.67	238.39	800.90	412.95
Broadband & Telephone Services	86.43	44.79	150.60	75.26
Long Distance Services	142.73	68.10	261.03	141.83
Enterprise Services	59.48	24.73	113.42	36.01
Others	(12.56)	(8.33)	(23.44)	(17.88)
Total	691.75	367.68	1,302.51	648.17
Less: Inter Segment Eliminations	9.36	8.90	18.76	17.23
EBITDA	701.10	376.58	1,321.27	665.40
3. Segment Results:- Profit/(Loss) before Interest and tax				
Mobile Services	243.76	122.99	481.63	195.00
Broadband & Telephone Services	41.99	13.74	65.05	11.75
Long Distance Services	108.57	41.91	196.41	93.55
Enterprise Services	55.37	20.94	105.44	28.59
Others	(11.25)	(34.74)	(22.38)	(69.85)
Total	438.43	164.83	826.15	259.04
Less: Inter Segment Eliminations	-	0.18	-	0.37
Less: Interest/Other Unallocable expenditure net off unallocable income	42.58	70.66	122.48	133.81
Total Profit/(Loss) Before Tax	395.85	93.99	703.67	124.87

Note: Operating Profit before Interest, Depreciation, Tax, Amortization and Pre-operating Expenses represents EBITDA

3. Consolidated Financial statement as per Indian Generally Accepted Accounting Principles (IGAAP)-Audited

(In Rs. Crores)

Particulars	Quarter Ended	Half Year Ended
	Sept. 2004	Sept. 2004
Total Income	1,917.07	3,650.21
Operating profit before finance income and expenses, depreciation, amortisation, preoperative expenditure, charity and donation, significantly non recurring items and taxation	704.74	1,339.69
Finance expenses (net)	62.68	169.43
Depreciation	236.54	447.08
Amortisation	48.65	102.81
Preoperative Expenditure Written off	14.47	22.32
Charity & Donation	0.27	0.86
Profit Before tax	342.13	597.19
Tax Expenses/ (Income)	48.13	62.33
Profit After Tax	294.01	534.86
Minority Interest	0.49	2.31
Profit for the period	293.52	532.55

Note: Operating profit before finance income and expenses, depreciation, amortisation, preoperative expenditure, charity and donation, significantly non recurring items and taxation represents EBITDA

4. Summary of differences in net profit / (loss) between IGAAP and IFRS

(In Rs. Crores)

Particulars	Quarter Ended	Half Year Ended
	Sept. 2004	Sept. 2004
Net profit / (loss) as per IFRS	333.70	629.83
Add: Differences on account of:		
Minority Interest and loss of Joint Venture	3.79	7.59
Deferred Tax expense	10.66	8.86
Differential depreciation provided in IGAAP due to forex fluctuations not considered in IFRS.	1.42	7.42
Being difference in revenue recognition	0.16	(0.12)
Less: Differences on account of:		
Amortisation of Goodwill	17.75	41.60
License fee amortisation	14.84	29.68
Differences in accounting for finance charges	22.36	43.69
Remeasurement of financial instruments as per IFRS 39 not applicable as per IGAAP	1.26	6.05
Net profit/(loss) as per IGAAP	293.52	532.55

5. Bharti Tele-Ventures Limited financial results as per Indian GAAP – Stand alone entity – Audited

(In Rs. Crores except ratios)

Particulars	Quarter Ended September 30		Half Year Ended September 30		Year Ended March 31
	2004	2003	2004	2003	2004
	Audited	Unaudited	Audited	Unaudited	Audited
Net Income from Sales/Service	-	-	-	-	-
Other Income	9.20	7.47	18.63	16.00	30.08
Total Revenue	9.20	7.47	18.63	16.00	30.08
Total Expenditure					
Staff Cost	7.28	6.18	13.93	13.72	25.39
Administration & Other expenditure	5.53	2.14	9.76	4.17	10.37
Financial Expense / (Income) (Net)	(6.35)	(2.49)	16.94	(5.07)	(11.71)
Depreciation	1.05	0.97	2.01	1.95	3.87
Personnel - Deferred ESOP cost written off	0.54	0.51	1.03	0.98	1.91
Profit/(Loss) before tax	1.15	0.16	(25.04)	0.25	0.25
Provision for Taxation written back for previous years	-	-	-	-	0.15
Provision for Taxation	-	0.05	-	0.07	0.03
Net profit/(loss) after tax	1.15	0.11	(25.04)	0.18	0.37
Paid-up equity share capital (Face value Rs.10 each)	1,853.37	1,853.37	1,853.37	1,853.37	1,853.37
Reserves	2,946.44	2,971.31	2,946.44	2,971.31	2,971.49
Earnings per share (Rs.)					
a. Basic	0.0062	0.001	(0.135)	0.001	0.002
b. Diluted	0.0061	0.001	-	0.001	0.002
Non-promoter shareholding					
a. Number of shares	989,438,846	989,644,539	989,438,846	989,644,539	989,644,539
b. Percentage	53.39%	53.40%	53.39%	53.40%	53.40%
N/A means not applicable					
Items exceeding 10% of aggregate expenditure					
Legal & professional Charges	1.26	0.25	2.57	0.25	1.71
Travelling & Conveyance	0.65	0.50	1.83	0.51	2.26
Rent	-	0.30	-	0.24	1.10
Repairs & Maintainance	-	0.26	-	0.29	1.29
N/A means not applicable					

Notes:

- Previous years figures have been regrouped to conform to current period's classification.
- The above audited financial results for the second quarter and half year ended September 30, 2004 have been taken on record in the meeting of the Board of Directors of the Company held on October 28, 2004.
- Investors complaints received and disposed off during second quarter ended September 30, 2004:

	Nos.
Complaints pending at the beginning of the quarter	NIL
Complaints received during the quarter	8
Disposal of complaints	8
Complaints lying unresolved at the end of the quarter	NIL
- The above financials pertain to Bharti Tele-Ventures Limited (BTVL) as a standalone entity. BTVL conducts its operations through its subsidiaries. The consolidated financial statements and segment wise information has been furnished optionally to provide additional information.

New Delhi
October 28, 2004

For Bharti Tele-Ventures Limited

Sunil Bharti Mittal
Chairman & Managing Director

"BTVL", or "the Company" wherever stated stands for Bharti Tele-Ventures Limited.

For more details on the financials results, please visit website www.bhartiteleventures.com