

# BHARTI TELE-VENTURES LIMITED

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

**Financial Results for the fourth quarter (un-audited) and full year ended (audited) March 31, 2004**

## 1. Consolidated Financial Results as per International Accounting Standards (IAS):

*(In Rs Crores)*

Particulars	Quarter ended March 31		Nine months ended December 31,		Year ended March 31	
	2004	2003	2003	2002	2004	2003
	Unaudited	Unaudited	Audited	Unaudited	Audited	
<b>Total revenue</b>	<b>1,553.27</b>	<b>1,006.72</b>	<b>3,449.21</b>	<b>2,043.23</b>	<b>5,002.48</b>	<b>3,049.95</b>
Total operating expenses	856.58	642.46	1,919.15	1,311.77	2,775.49	1,954.23
License fees	164.17	104.51	391.89	232.16	556.06	336.66
<b>Operating Profit before Interest, Depreciation, Tax, Amortization and Pre-operating Expenses (EBITDA)</b>	<b>532.52</b>	<b>259.75</b>	<b>1,138.17</b>	<b>499.30</b>	<b>1,670.93</b>	<b>759.06</b>
Interest (Net)	34.28	51.81	206.73	214.50	241.01	266.31
<b>Cash Profit from Operations</b>	<b>498.24</b>	<b>207.94</b>	<b>931.44</b>	<b>284.80</b>	<b>1,429.92</b>	<b>492.75</b>
Other Income	22.75	2.12	10.54	3.64	33.04	5.76
Pre-operating costs	2.52	(0.66)	-	37.82	2.52	37.16
Depreciation & Amortisation	242.80	182.77	633.24	456.68	876.04	639.45
<b>Earning Before Tax &amp; Before Unusual Items</b>	<b>275.67</b>	<b>27.95</b>	<b>308.74</b>	<b>(206.06)</b>	<b>584.40</b>	<b>(178.10)</b>
Income tax Income / (Expense)	28.28	(0.18)	(22.00)	0.00	6.28	(0.18)
Minority Interest	(0.18)	(1.93)	(1.04)	2.35	(1.22)	0.41
<b>Net profit / (loss) before unusual items</b>	<b>303.77</b>	<b>25.84</b>	<b>285.70</b>	<b>(203.71)</b>	<b>589.46</b>	<b>(177.87)</b>
Unusual Income	-	44.14	30.00	-	30.00	44.14
<b>Net profit / (loss)</b>	<b>303.77</b>	<b>69.98</b>	<b>315.70</b>	<b>(203.71)</b>	<b>619.46</b>	<b>(133.73)</b>
Shareholders Equity	5,109.52	4,474.23	4,851.33	4,643.80	5,109.52	4,474.23
Net debt	3,998.68	3,174.04	3,759.77	3,084.10	3,998.68	3,174.04
Net debt to funded equity (Times)	0.77	0.61	0.73	0.59	0.77	0.61
Book Value Per Equity Share (Rs.)	27.6	24.1	26.2	25.1	27.6	24.1
Paid up equity capital (Face value of Rs.10 each)	1,853.37	1,853.37	1,853.37	1,853.37	1,853.37	1,853.37
<b>Earnings per share (Rs.)</b>						
a.Basic	6.56	1.51	2.27	(1.47)	3.34	(0.72)
b.Diluted	6.56	1.51	2.27	(1.47)	3.34	(0.72)

### Notes:

1. Change in Directors:- Mr. Kurt Hellstrom has been appointed as an 'Independent Director' on the Board with effect from February 27, 2004.
2. On February 11, 2004, Bharti Cellular Limited, a subsidiary of BTVL, signed and received unified access services licences to provide services in 5 new circles viz. Uttar Pradesh (East), West Bengal & Andaman Nicobar, Orissa, Bihar and Jammu & Kashmir.  
  
In addition to this, the Company has also applied for obtaining Letter of Intent (LOI) for the Assam Telecom circle. With this, Bharti would become an all India operator.
3. On February 16, 2004, BTVL was assigned the highest 'CRISIL GVC Level 1' (Corporate Governance and Value Creation) credit rating. This is the highest Governance and Value Creation (GVC) rating of CRISIL.
4. On March 25, 2004, the board approved issue of Foreign Currency Convertible Bonds (FCCBs) for an aggregate amount of US\$ 100 million with a green shoe option of retaining additional US\$ 15 million of any over subscription.
5. Subsequent to the year-end, the committee of the Board on April 5, 2004 approved acquisition of 67.5% equity stake in Hexacom India Limited, a cellular service provider in Rajasthan and holding licence for North East circle for an aggregate amount of Rs. 430 crores.

## 2. Segment Reporting as per International Accounting Standards (IAS)

(In Rs. Crores)

Particulars	Quarter ended March 31		Nine months ended December 31,		Year ended March 31	
	2004	2003	2003	2002	2004	2003
	Unaudited	Unaudited	Audited	Unaudited	Audited	
<b>1. Segment Revenue</b>						
Mobility	989.56	614.00	2,271.23	1,469.96	3,260.79	2,083.99
Access	223.42	122.90	552.33	234.47	775.76	357.42
Long Distance & Group Data Services	495.06	386.20	976.43	472.84	1,471.49	858.94
Others	-	-	-	-	-	-
<b>Total</b>	<b>1,708.04</b>	<b>1,123.10</b>	<b>3,799.99</b>	<b>2,177.28</b>	<b>5,508.04</b>	<b>3,300.35</b>
Less: Inter Segment Eliminations	154.77	116.38	350.78	134.05	505.56	250.40
<b>Net Sales/ Income from Operations</b>	<b>1,553.27</b>	<b>1,006.72</b>	<b>3,449.21</b>	<b>2,043.23</b>	<b>5,002.48</b>	<b>3,049.95</b>
<b>2. Operating Profit before Interest, Depreciation, Tax, Amortization and Pre-operating Expenses</b>						
Mobility	318.19	145.37	729.39	412.51	1,047.73	557.88
Access	50.64	19.72	115.02	13.68	165.67	33.40
Long Distance & Group Data Services	164.95	96.29	296.26	86.12	461.30	182.41
Others	(9.99)	(7.17)	(25.83)	(25.60)	(35.81)	(32.77)
<b>Total</b>	<b>523.79</b>	<b>254.21</b>	<b>1,114.84</b>	<b>486.70</b>	<b>1,638.89</b>	<b>740.92</b>
Less: Inter Segment Eliminations	(8.73)	(5.54)	(23.33)	(12.60)	(32.04)	(18.14)
<b>EBITDA</b>	<b>532.52</b>	<b>259.75</b>	<b>1,138.17</b>	<b>499.30</b>	<b>1,670.93</b>	<b>759.06</b>
<b>3. Segment Results Profit/(Loss) before Interest and tax*</b>						
Mobility	201.39	55.08	393.61	157.24	595.00	212.33
Access	20.17	(10.22)	20.34	(68.62)	40.50	(78.84)
Long Distance & Group Data Services	126.29	79.01	211.45	41.04	337.75	120.06
Others	(38.46)	(43.94)	(109.38)	(120.67)	(147.84)	(164.61)
<b>Total</b>	<b>309.39</b>	<b>79.93</b>	<b>516.02</b>	<b>8.99</b>	<b>825.41</b>	<b>88.94</b>
Less: Inter Segment Eliminations	(0.55)	0.18	0.55	0.55	-	0.73
Less: Interest/Other Unallocable expenditure net off unallocable income	34.27	51.81	206.73	214.50	241.01	266.30
<b>Total Profit/(Loss) Before Tax*</b>	<b>275.67</b>	<b>27.94</b>	<b>308.74</b>	<b>(206.06)</b>	<b>584.40</b>	<b>(178.09)</b>

\*Segment results are before adjustment of any non-frequently occurring items.

### 3. Consolidated Financial Results as per Indian Generally Accepted Accounting Principles (IGAAP)

(In Rs Crores)

Particulars	Quarter ended March 31, 2004	Nine months ended December 31, 2003	Year ended March 31,2004
	Unaudited	Audited	Audited
Total revenue	1,553.27	3,449.21	5,002.48
Operating Profit before Interest, Deprecation, Tax, Amortization and Pre-Operating Expenses (EBITDA)	532.52	1,138.17	1,670.93
Cash profit from operations	475.57	924.53	1,400.10
Depreciation & Amortisation	244.19	635.28	879.47
Pre-Operative & Others	(21.55)	(10.54)	(32.09)
Profit before tax	252.93	299.79	552.72
Provision for Tax	83.61	22.07	105.68
Deffered Tax Expense / (Income)	(152.81)	14.94	(137.87)
Minority Interest	0.18	1.04	1.22
Profit after tax	321.95	261.74	583.69

### 4. The reconciliation of consolidated net profit/(loss) as per IAS and Indian GAAP

(In Rs Crores)

Particulars	Quarter ended March 31,2004	Nine months ended December 31, 2003	Year ended March 31,2004
	Unaudited	Audited	Audited
<b>Net profit / (loss) as per IAS</b>	<b>303.77</b>	<b>315.70</b>	<b>619.46</b>
<b>Add: Differences on account of:</b>			
Goodwill amortisation	15.99	53.93	69.93
Remeasurement of financial instruments as per IAS 39 not applicable as per IGAAP	0.28	(0.19)	0.09
Deferred tax expense in IGAAP not required in IAS	40.92	(15.00)	25.92
	57.19	38.74	95.94
<b>Less: Differences on account of:</b>			
License fee amortisation not applicable in IAS	14.85	44.55	59.40
Differential depreciation provided in Indian accounts due to forex fluctuations not considered in IAS	2.53	11.43	13.96
Differences in accounting for finance charges	21.63	6.72	28.35
Profit on sale of EGTL investment since earlier written off in IAS	-	30.00	30.00
	39.01	92.70	131.71
<b>Net profit/(loss) as per Indian GAAP</b>	<b>321.95</b>	<b>261.74</b>	<b>583.69</b>

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

(In RsCrores)

Particulars	Quarter Ended March 31		Nine months ended December 31,		Year Ended March 31	
	2004	2003	2003	2002	2004	2003
	Unaudited	Unaudited	Audited	Unaudited	Audited	
Net Income from Sales/Service	-	-	-	-	-	-
Other Income	7.11	4.56	22.97	14.41	30.08	18.98
<b>Total Revenue</b>	<b>7.11</b>	<b>4.56</b>	<b>22.97</b>	<b>14.41</b>	<b>30.08</b>	<b>18.98</b>
<b>Total Expenditure</b>						
Staff Cost	6.77	3.34	18.62	16.45	25.39	19.79
Administration & Other expenditure	3.16	3.86	7.21	9.11	10.37	12.98
Financial Expense / (Income) (Net)	(4.28)	(5.55)	(7.43)	(17.15)	(11.71)	(22.71)
Depreciation	0.95	1.03	2.92	2.57	3.87	3.60
Personnel - Deferred ESOP cost written off	0.47	0.77	1.44	4.27	1.91	5.05
<b>Profit/(Loss) before tax</b>	<b>0.04</b>	<b>1.11</b>	<b>0.21</b>	<b>(0.84)</b>	<b>0.25</b>	<b>0.27</b>
Provision for Taxation written back for previous years	-	-	0.15	-	0.15	-
Provision for Taxation	(0.04)	0.05	0.07	-	0.03	0.05
<b>Net profit/(loss) after tax</b>	<b>0.08</b>	<b>1.06</b>	<b>0.29</b>	<b>(0.84)</b>	<b>0.37</b>	<b>0.22</b>
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	1,853.37
Reserves	2,971.49	2,971.12	2,971.41	2,970.06	2,971.49	2,971.12
<b>Earnings per share</b>						
a. Basic	0.000	0.006	0.002	(0.005)	0.002	0.001
b. Diluted	0.000	0.006	0.002	(0.005)	0.002	0.001
<b>Non-promoter shareholding</b>						
a. Number of shares	989,644,539	990,630,739	989,644,539	990,524,539	989,644,539	990,630,739
b. Percentage	53.40%	53.45%	53.40%	53.44%	53.40%	53.45%
N/A means not applicable						
<b>Items exceeding 10% of aggregate expenditure</b>						
Legal & professional Charges	0.77	0.19	0.94	N/A	1.71	1.72
Travelling & Conveyance	0.69	0.63	1.57	N/A	2.26	2.96
Rent	0.29	N/A	0.81	N/A	1.10	N/A
Repairs & Maintainance	0.06	0.98	1.23	N/A	1.29	2.41

N/A means not applicable

**Notes:**

- Previous years figures have been regrouped to conform to current period's classification.
- The above-unaudited results for the fourth quarter and audited results for the year ended March 31, 2004 have been taken on record in the meeting of the Board of Directors of the Company held on April 23, 2004.
- Investors complaints received and disposed off during fourth quarter ended March 31, 2004:

	<u>Nos.</u>
Complaints pending at the beginning of the quarter	Nil
Complaints received during the quarter	10
Disposal of complaints	10
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  
April 23, 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](http://www.bhartiteleventures.com)