

Quarterly report on the results for the third quarter and nine months ended December 31, 2015

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



BHARTI AIRTEL ANNOUNCES A ₹60,000 CRORE INVESTMENT
IN THE NEXT 3 YEARS ON A COMPREHENSIVE NETWORK
TRANSFORMATION PROGRAM – “PROJECT LEAP”

BHARTI AIRTEL LAUNCHED WI-FI APP - 'AIRTEL HANGOUT' TO
SEAMLESSLY CONNECT TO AIRTEL WI-FI ZONES & EXPERIENCE
FASTER MOBILE INTERNET SPEEDS

**AIRTEL GHANA HAS BEEN ADJUDGED THE BEST
ORGANISATION IN LEARNING AND DEVELOPMENT
AT THE HR FOCUS AWARDS 2015**



January 28, 2016

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 financials reported in the quarterly report are in its functional currency i.e. US\$ (Refer Section “9.4 Key Accounting Policies as per IFRS”). South Asia financials reported in the quarterly report are in its presentation currency i.e. US\$.

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 “7.4 Use of Non - GAAP Financial Information” on page 35

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 Teleports Limited, SmartX Services Limited, Airtel Money Transfer 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 12i Limited, Telesonic Networks Limited (formerly Alcatel Lucent Network Management Services India Limited), Bharti Airtel Holdings (Singapore) Pte Limited, Bharti Infratel 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 Burkina Faso 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 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., Airtel Congo (RDC) S.A. (Formerly 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, Airtel Networks Zambia Plc (formerly known as Celtel Zambia plc), Bharti Airtel DTH Holdings B.V., 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, Airtel Mobile Commerce Zambia Limited (formerly known as ZMP Ltd. (Zambia)), 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 Towers (Ghana) Limited, Malawi Towers Limited, Airtel Money S.A. (Gabon), Société Malgache de Telephonie Cellulaire SA, Airtel (SL) Limited, Airtel DTH Services Congo (RDC) S.p.r.l, Airtel DTH Services Nigeria Limited, Airtel Money (RDC) S.p.r.l, Burkina Faso Towers S.A., Wynn Limited, Augere Wireless Broadband India Private Limited, Congo RDC Towers S.p.r.l, Congo Towers S.A., Gabon Towers S.A., 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, Airtel Money Transfer Ltd, 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, Airtel Tchad S.A., Bharti Airtel Rwanda Holdings Limited (formerly known as Zebrano (Mauritius) Limited), Airtel Mobile Commerce Rwanda Limited, Warid Telecom Uganda Limited, Bharti Infratel Services Limited, Nextra Data Limited, Airtel Mobile Commerce (Seychelles) Limited., Airtel Broadband Services Private Limited (formerly known as Wireless Business Services Private Limited), Airtel DTH Services (Sierra Leone) Limited., Airtel Mobile Commerce (Tanzania), Airtel Mobile Commerce Limited (Malawi), Bharti Airtel Nigeria B.V., Warid Congo S.A., Airtel Networks Zambia Plc, Bharti Airtel Nigeria Holdings II B.V.

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	Unit	Full Year Ended			Quarter Ended				
		2013	2014	2015	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15
Operating Highlights									
Total Customer Base	000's	271,227	295,948	324,368	312,904	324,368	331,860	339,999	350,855
Total Minutes on Network	Mn Min	1,127,150	1,211,522	1,266,914	314,257	326,659	342,987	336,002	343,999
Sites on Network	Nos	156,905	163,361	172,225	168,055	172,225	173,703	175,851	177,977
Total Employees ⁴	Nos	25,710	24,893	24,694	25,008	24,694	24,670	24,784	24,868
No. of countries of operation	Nos	20	20	20	20	20	20	20	20
Population Covered	Bn	1.85	1.99	2.02	1.99	2.02	2.02	2.02	2.02
Consolidated Financials (Rs Mn)									
Total revenues	Rs Mn	769,045	857,461	920,395	232,171	230,155	236,709	238,357	240,659
EBITDA	Rs Mn	233,340	278,430	314,517	78,276	80,505	82,617	82,653	84,748
EBIT	Rs Mn	85,192	121,933	158,571	39,842	42,720	42,157	40,114	40,970
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	195,643	241,813	285,280	72,858	72,231	71,086	71,114	70,853
Profit before tax	Rs Mn	47,853	78,105	115,662	31,118	25,155	25,007	23,035	29,462
Net income	Rs Mn	22,757	27,727	51,835	14,365	12,553	15,543	15,227	11,169
Capex	Rs Mn	126,451	105,843	186,682	45,095	64,460	39,921	50,343	55,082
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	106,889	172,587	127,834	33,181	16,045	42,696	32,310	29,666
Net Debt	Rs Mn	583,567	605,416	668,417	668,388	668,417	681,345	707,770	788,160
Shareholder's Equity	Rs Mn	503,217	597,560	619,564	609,282	619,564	638,065	629,025	640,664
Consolidated Financials (US\$ Mn)									
Total Revenue ¹	US\$ Mn	14,129	14,151	15,064	3,752	3,704	3,729	3,673	3,654
EBITDA ¹	US\$ Mn	4,287	4,595	5,148	1,265	1,296	1,301	1,274	1,287
EBIT ¹	US\$ Mn	1,565	2,012	2,595	644	687	664	618	622
Cash profit from operations before Derivative & Exchange Fluctuations ¹	US\$ Mn	3,594	3,991	4,669	1,177	1,162	1,120	1,096	1,076
Profit before Tax ¹	US\$ Mn	879	1,289	1,893	503	405	394	355	447
Net income ¹	US\$ Mn	418	458	848	232	202	245	235	170
Capex ¹	US\$ Mn	2,323	1,747	3,055	729	1,037	629	776	836
Operating Free Cash Flow (EBITDA - Capex)	US\$ Mn	1,964	2,848	2,092	536	258	673	498	450
Net Debt ²	US\$ Mn	10,729	10,074	10,679	10,554	10,679	10,687	10,766	11,905
Shareholder's Equity ²	US\$ Mn	9,252	9,943	9,899	9,621	9,899	10,008	9,568	9,677
Key Ratios									
EBITDA Margin	%	30.3%	32.5%	34.2%	33.7%	35.0%	34.9%	34.7%	35.2%
EBIT Margin	%	11.1%	14.2%	17.2%	17.2%	18.6%	17.8%	16.8%	17.0%
Net Profit Margin	%	3.0%	3.2%	5.6%	6.2%	5.5%	6.6%	6.4%	4.6%
Net Debt to Funded Equity Ratio	Times	1.16	1.01	1.08	1.10	1.08	1.07	1.13	1.23
Net Debt to EBITDA (LTM) - US\$ ³	Times	2.51	2.19	2.08	2.10	2.08	2.08	2.11	2.34
Net Debt to EBITDA (Annualised) - US\$ ³	Times	2.40	2.12	2.06	2.09	2.06	2.06	2.16	2.38
Interest Coverage ratio	Times	6.79	7.58	8.43	7.86	8.21	8.27	7.02	6.75
Return on Shareholder's Equity	%	4.5%	5.0%	8.5%	8.1%	8.5%	9.1%	9.3%	8.7%
Return on Capital employed	%	5.7%	6.6%	8.1%	7.3%	8.1%	9.1%	9.7%	9.5%
Valuation Indicators									
Market Capitalization	Rs Bn	1,108	1,275	1,575	1,410	1,575	1,679	1,351	1,359
Market Capitalization	US\$ Bn	20.4	21.2	25.2	22.3	25.2	26.3	20.6	20.5
Enterprise Value	Rs Bn	1,692	1,880	2,243	2,079	2,243	2,402	2,112	2,204
EV / EBITDA (LTM)	Times	7.25	6.75	7.13	6.78	7.13	7.53	6.52	6.67
P/E Ratio (LTM)	Times	48.65	45.44	30.36	28.83	30.36	29.80	23.41	24.93

Note 1: Average exchange rates used for Rupee conversion to US\$ is (a) Rs 54.43 for the financial year ended March 31, 2013 (b) Rs 60.59 for the financial year ended March 31, 2014 (c) Rs 61.10 for the financial year ended March 31, 2015 (d) Rs 61.89 for the quarter ended December 31, 2014 (e) Rs 62.14 for the quarter ended March 31, 2015 (f) Rs 63.48 for the quarter ended June 30, 2015 (g) Rs 64.90 for the quarter ended September 30, 2015 (h) Rs 65.85 for the quarter ended December 31, 2015 based on the RBI Reference rate.

Note 2: Closing exchange rates used for Rupee conversion to US\$ is (a) Rs 54.39 for the financial year ended March 31, 2013 (b) Rs 60.10 for the financial year ended March 31, 2014 (c) Rs 62.59 for the quarter and financial year ended March 31, 2015 (d) Rs 63.33 for the quarter ended December 31, 2014 (e) Rs 62.59 for the quarter ended March 31, 2015 (f) Rs 63.75 for the quarter ended June 30, 2015 (g) Rs 65.74 for the quarter ended September 30, 2015 (h) Rs 66.20 for the quarter ended December 31, 2015 being the RBI Reference rate.

Note 3: For calculation of this ratio, EBITDA is adjusted downwards to the extent of finance lease charges on towers in Africa.

Note 4: Total employees do not include 42% of Indus Towers employees.

Note 5: Key Ratios computed using translated US\$ values may yield different results in comparison with ratios computed using Rupee values.

SECTION 2

BHARTI AIRTEL - AN INTRODUCTION

2.1 Introduction

We are one of the world's leading providers of telecommunication services with significant presence in 20 countries representing India, Bangladesh, Sri Lanka and 17 countries in Africa. As per United Nations data published on January 01, 2013, the population of these 20 countries represents around 26% of the world's population.

We provide telecom services under wireless and fixed line technology, national and international long distance connectivity, Digital TV and IPTV services; and complete integrated telecom solutions to our enterprise customers. All these services are rendered under a unified brand "airtel". 'Airtel Money' extends our product portfolio to further our financial inclusion agenda and offers convenience of payments and money transfers on mobile phones over secure and stable platforms in India, Bangladesh and across all 17 countries in Africa. The Company also owns Tower Infrastructure pertaining to telecom operations through its subsidiary and joint venture entity.

The shares of Bharti Airtel Ltd are listed on the Indian Stock Exchanges, NSE & BSE.

2.2 Business Divisions

2.2.1 India & South Asia – We follow a segmented approach for our operations in India with clear focus on retail and corporate customers.

B2C Services:

Mobile Services (India) – We are the largest wireless operator in the country both in terms of customers and revenues. We offer postpaid, pre-paid, roaming, internet, m-Commerce (Airtel Money) and other value added services using GSM mobile technology. Our distribution channel is spread across 1.5 Mn outlets with network presence in 5,126 census and 464,361 non-census towns and villages in India covering approximately 87.2% of the country's population.

Our 3G services are spread across key cities in the country offering high-speed internet access and a host of innovative services like Mobile TV, video calls, live-streaming videos and gaming. Our 4G services, currently present in 14 markets, offer the fastest wireless services with buffer-less HD video streaming and multi-tasking capabilities to our customers.

Our national long distance infrastructure provides a pan-India reach with 205,901 Rkms of optical fiber.

Telemedia Services – The Company provides fixed-line telephone and broadband (DSL) services for homes as well as offices in 87 cities pan-India. The product offerings include high-speed broadband on copper and fiber and voice connectivity, up to the speeds of 100 mbps for the home segment. In the Office segment, Airtel is a trusted solution provider for fixed-line voice (PRIs), data and other connectivity solutions like MPLS, VoIP, SIP trunking. Additionally, the Company offers solutions to businesses Audio, Video and Web Conferencing. Cloud portfolio is also an integral part of its office solutions suite, which offers Storage, compute, Microsoft office 365, ecommerce package through shopify and CRM packages on a pay as you go model.

Digital TV Services – Our Direct-To-Home (DTH) platform offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. We currently offer a total of 486 channels including 38 HD channels, 4 international channels and 4 interactive services.

B2B Services:

Airtel Business – We are India's leading and most trusted provider of ICT services with a diverse portfolio of services to enterprises, governments, carriers and small and medium business. Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media. Airtel Business provides 'One solution, bill, support, face' experience to our customers.

We offer global services in both voice and data including VAS services like International Toll Free Services and SMS hubbing. Our strategically located submarine cables and satellite network enable our customers to connect across the world including hard-to-reach areas. Our global network runs across 225,000 Rkms, covering 50 countries and 5 continents.

Tower Infrastructure Services – Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys, owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus towers, a joint venture with Vodafone India and Aditya Birla Telecom who hold 42% and 16% respectively. The Company's consolidated portfolio of 88,055 telecom towers, which includes 38,206 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations.

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

South Asia – South Asia represents our operations in Bangladesh and Sri Lanka. In Bangladesh, we are present across 64 districts with a distribution network comprising of 158 K retailers across the country. We have a robust 3G network with more than 2,700 3G sites across Bangladesh. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 45 K retailers across the country. Our 3.5G services are present across major towns in Sri Lanka.

2.2.2 Africa

We are present 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. We offer post-paid, pre-paid, roaming, internet services, content, media & entertainment, and corporate solutions. 3G, 4G data and m-Commerce (Airtel Money) are the next growth engines for the Company in Africa. We offer 3G services, Airtel Money across all 17 countries and 4G services in 3 countries of Africa.

2.3 Partners

SingTel, our strategic equity partner, has made one of their largest investments outside Singapore with us. This partnership has enabled us to expand and further enhance the quality of services to our customers. We also pioneered the outsourcing business model with long term strategic partnership in all areas including network equipment, information technology and call center. We partnered with global leaders who share our drive for co-creating innovative and tailor made solutions. To name a few, our strategic partners include Ericsson, Nokia Siemens Networks (NSN), Huawei, Cisco, IBM, Infosys, Avaya, etc.

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 35) and Glossary (page 54) 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-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
	<i>Amount in Rs Mn, except ratios</i>					
Total revenues	240,659	232,171	4%	715,725	690,239	4%
EBITDA	84,748	78,276	8%	250,017	233,439	7%
<i>EBITDA / Total revenues</i>	35.2%	33.7%		34.9%	33.8%	
EBIT	40,970	39,842	3%	123,241	115,279	7%
Finance cost (net)	13,910	10,450	33%	51,727	29,073	78%
Share of results of Joint Ventures/Associates	2,463	1,800	37%	6,994	5,087	37%
Profit before tax ⁶	29,462	31,118	-5%	77,504	89,935	-14%
Income tax expense ⁶	13,928	12,609	10%	41,795	42,066	-1%
Net income ⁷	11,169	14,365	-22%	41,939	39,282	7%
Capex	55,082	45,095	22%	145,346	122,222	19%
Operating Free Cash Flow (EBITDA - Capex)	29,666	33,181	-11%	104,672	111,217	-6%
Cumulative Investments	2,645,689	2,258,253	17%	2,645,689	2,258,253	17%

Note 6: Profit before Tax and Income Tax expense reported above for the quarter ended and nine months ended Dec-15 and Dec-14, excludes the impact of exceptional items.

Note 7: Net Income for the quarter ended and nine months ended Dec-15 and Dec-14, includes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

3.1.2 Consolidated Summarized Statement of Financial Position

Particulars	<i>Amount in Rs Mn</i>	
	As at Dec 31, 2015	As at Mar 31, 2015
Assets		
Non-current assets	1,958,913	1,690,163
Current assets	222,230	267,655
Total assets	2,181,143	1,957,818
Liabilities		
Non-current liabilities	926,206	655,294
Current liabilities	564,789	634,435
Total liabilities	1,490,995	1,289,729
Equity & Non Controlling Interests		
Equity	640,664	619,564
Non controlling interests	49,484	48,525
Total Equity & Non Controlling Interests	690,148	668,089
Total Equity and liabilities	2,181,143	1,957,818

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 2015			Quarter Ended Dec 2014			Nine Months Ended Dec 2015			Nine Months Ended Dec 2014		
	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total
Total revenues	180,837	62,506	240,659	166,148	68,276	232,171	536,457	186,821	715,725	489,994	206,917	690,239
EBITDA	71,487	13,287	84,748	63,324	14,953	78,276	211,359	38,655	250,017	185,219	48,220	233,439
<i>EBITDA / Total revenues</i>	<i>39.5%</i>	<i>21.3%</i>	<i>35.2%</i>	<i>38.1%</i>	<i>21.9%</i>	<i>33.7%</i>	<i>39.4%</i>	<i>20.7%</i>	<i>34.9%</i>	<i>37.8%</i>	<i>23.3%</i>	<i>33.8%</i>
EBIT	39,049	1,947	40,970	36,650	3,195	39,842	119,313	3,924	123,241	105,446	9,834	115,279
Profit before tax ⁸	31,235	(1,299)	29,462	38,198	(7,079)	31,118	93,567	(19,666)	77,504	105,793	(15,858)	89,935
Net income (before exceptional items ⁹)	19,147	(4,869)	13,963	25,650	(8,359)	17,290	55,148	(25,663)	32,589	70,399	(24,095)	46,305
Exceptional Items (net) ⁹			2,794			2,926			(9,350)			7,023
Net income			11,169			14,365			41,939			39,282
Capex	42,983	12,099	55,082	27,517	17,578	45,095	113,071	32,275	145,346	79,052	43,170	122,222
Operating Free Cash Flow (EBITDA - Capex)	28,504	1,188	29,666	35,806	(2,625)	33,181	98,288	6,380	104,672	106,167	5,050	111,217
Cumulative Investments	1,909,075	736,614	2,645,689	1,500,781	757,472	2,258,253	1,909,075	736,614	2,645,689	1,500,781	757,472	2,258,253

Note 8: Profit before Tax for the quarter ended and nine months ended Dec 2015 and Dec 2014, excludes the impact of exceptional items.

Note 9: Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Dec 31, 2015			
	India SA	Africa	Eliminations	Total
Assets				
Non-current assets	1,929,486	652,926	(623,499)	1,958,913
Current assets	137,840	86,306	(1,915)	222,230
Total assets	2,067,326	739,232	(625,414)	2,181,143
Liabilities				
Non-current liabilities	836,205	409,104	(319,103)	926,206
Current liabilities	379,586	187,123	(1,920)	564,789
Total liabilities	1,215,790	596,227	(321,022)	1,490,995
Equity & Non Controlling Interests				
Equity	783,162	161,894	(304,392)	640,664
Non controlling interests	68,373	(18,889)	0	49,484
Total Equity & Non Controlling Interests	851,535	143,005	(304,392)	690,148
Total Equity and liabilities	2,067,326	739,232	(625,414)	2,181,143

3.3 Segment wise Summarized Statement of Operations

3.3.1 India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	180,837	166,148	9%	536,457	489,994	9%
EBITDA	71,487	63,324	13%	211,359	185,219	14%
<i>EBITDA / Total revenues</i>	<i>39.5%</i>	<i>38.1%</i>		<i>39.4%</i>	<i>37.8%</i>	
EBIT	39,049	36,650	7%	119,313	105,446	13%
Capex	42,983	27,517	56%	113,071	79,052	43%
Operating Free Cash Flow (EBITDA - Capex)	28,504	35,806	-20%	98,288	106,167	-7%
Cumulative Investments	1,909,075	1,500,781	27%	1,909,075	1,500,781	27%

3.3.2 India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	176,937	162,564	9%	525,155	478,589	10%
EBITDA	71,883	63,594	13%	212,267	185,207	15%
<i>EBITDA / Total revenues</i>	<i>40.6%</i>	<i>39.1%</i>		<i>40.4%</i>	<i>38.7%</i>	
EBIT	40,938	38,432	7%	124,428	109,703	13%
Capex	42,436	27,090	57%	110,215	77,149	43%
Operating Free Cash Flow (EBITDA - Capex)	29,447	36,504	-19%	102,053	108,058	-6%
Cumulative Investments	1,835,403	1,433,023	28%	1,835,403	1,433,023	28%

B2C Services

3.3.3 Mobile Services (India) – comprises of Mobile Services, Airtel Money and Network Groups providing fibre connectivity.

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	139,750	131,635	6%	414,293	385,501	7%
EBITDA	54,353	49,128	11%	160,521	142,998	12%
<i>EBITDA / Total revenues</i>	<i>38.9%</i>	<i>37.3%</i>		<i>38.7%</i>	<i>37.1%</i>	
EBIT	30,977	31,614	-2%	95,447	90,111	6%
Capex	32,849	20,738	58%	86,029	58,506	47%
Operating Free Cash Flow (EBITDA - Capex)	21,504	28,391	-24%	74,492	84,491	-12%
Cumulative Investments	1,444,072	1,071,544	35%	1,444,072	1,071,544	35%

3.3.4 Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	11,951	11,171	7%	35,149	33,036	6%
EBITDA	5,543	4,407	26%	16,036	12,884	24%
<i>EBITDA / Total revenues</i>	<i>46.4%</i>	<i>39.5%</i>		<i>45.6%</i>	<i>39.0%</i>	
EBIT	3,134	2,016	55%	8,959	5,904	52%
Capex	2,904	1,679	73%	5,865	3,397	73%
Operating Free Cash Flow (EBITDA - Capex)	2,640	2,728	-3%	10,170	9,487	7%
Cumulative Investments	88,054	81,947	7%	88,054	81,947	7%

3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	7,422	6,234	19%	21,338	18,412	16%
EBITDA	2,474	1,707	45%	7,225	4,673	55%
<i>EBITDA / Total revenues</i>	<i>33.3%</i>	<i>27.4%</i>		<i>33.9%</i>	<i>25.4%</i>	
EBIT	538	(360)	250%	1,123	(1,662)	168%
Capex	3,422	1,630	110%	8,036	6,512	23%
Operating Free Cash Flow (EBITDA - Capex)	(948)	77	-1336%	(811)	(1,839)	56%
Cumulative Investments	61,770	52,948	17%	61,770	52,948	17%

B2B Services

3.3.6 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	19,265	16,177	19%	59,225	49,325	20%
EBITDA	4,688	3,568	31%	13,990	10,919	28%
<i>EBITDA / Total revenues</i>	<i>24.3%</i>	<i>22.1%</i>		<i>23.6%</i>	<i>22.1%</i>	
EBIT	2,909	1,928	51%	8,807	6,171	43%
Capex	859	367	134%	2,028	810	150%
Operating Free Cash Flow (EBITDA - Capex)	3,829	3,201	20%	11,961	10,109	18%
Cumulative Investments	54,413	50,797	7%	54,413	50,797	7%

3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	14,104	13,692	3%	41,958	40,764	3%
EBITDA	6,688	6,550	2%	19,761	18,978	4%
<i>EBITDA / Total revenues</i>	<i>47.4%</i>	<i>47.8%</i>		<i>47.1%</i>	<i>46.6%</i>	
EBIT	3,772	3,705	2%	11,145	10,652	5%
Share of results of joint ventures/associates	2,459	1,805	36%	6,980	5,129	36%
Capex	2,389	2,570	-7%	7,769	7,292	7%
Operating Free Cash Flow (EBITDA - Capex)	4,299	3,980	8%	11,992	11,686	3%
Cumulative Investments	182,123	171,202	6%	182,123	171,202	6%

Others

3.3.8 Others (India)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	792	690	15%	2,260	2,195	3%
EBITDA	(400)	(430)	7%	(1,078)	(1,357)	21%
EBIT	(404)	(430)	6%	(1,090)	(1,363)	20%
Capex	14	153	-91%	486	757	-36%
Operating Free Cash Flow (EBITDA - Capex)	(414)	(584)	29%	(1,565)	(2,114)	26%
Cumulative Investments	4,971	4,585	8%	4,971	4,585	8%

3.3.9 South Asia – comprises of operations in Bangladesh and Sri Lanka

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	4,135	3,788	9%	12,066	12,052	0%
EBITDA	(371)	(271)	-37%	(1,088)	70	-1656%
<i>EBITDA / Total revenues</i>	<i>-9.0%</i>	<i>-7.1%</i>		<i>-9.0%</i>	<i>0.6%</i>	
EBIT	(1,868)	(1,782)	-5%	(5,309)	(4,199)	-26%
Capex	547	427	28%	2,856	1,903	50%
Operating Free Cash Flow (EBITDA - Capex)	(917)	(698)	-31%	(3,944)	(1,833)	-115%
Cumulative Investments	73,673	67,758	9%	73,673	67,758	9%

3.3.10 Africa – comprises of operations in 17 countries in Africa.

In USD Constant Currency ^{Note 10}

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Total revenues	1,026	995	3%	3,033	2,953	3%
EBITDA	219	215	2%	629	665	-6%
<i>EBITDA / Total revenues</i>	<i>214%</i>	<i>216%</i>		<i>20.7%</i>	<i>22.5%</i>	
EBIT	34	43	-22%	65	125	-48%
Capex	184	284	-35%	495	709	-30%
Operating Free Cash Flow (EBITDA - Capex)	36	(69)	152%	133	(43)	409%
Cumulative Investments	11,127	11,940	-7%	11,127	11,940	-7%

Note 10: Closing currency rates as on March 5, 2015 (AOP FY 15-16 finalization date) considered for above financials upto EBIT. Actual currency rates taken for Capex & Cumulative Investments. For the trends for last 5 quarters in constant currency and reported currency, please refer to pages 41 & 42.

3.4 Region wise & Segment wise - Investment & Contribution

Quarter Ended:

Amount in Rs Mn, except ratios

Segment	Quarter Ended Dec 2015						As at Dec 31, 2015	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services ¹¹	139,750	77%	54,353	76%	32,849	76%	1,444,072	76%
Telemedia Services	11,951	7%	5,543	8%	2,904	7%	88,054	5%
Digital TV Services	7,422	4%	2,474	3%	3,422	8%	61,770	3%
Airtel Business	19,265	11%	4,688	7%	859	2%	54,413	3%
Tower Infrastructure Services	14,104	8%	6,688	9%	2,389	6%	182,123	10%
Others	792	0%	(400)	-1%	14	0%	4,971	0%
South Asia	4,135	2%	(371)	-1%	547	1%	73,673	4%
Sub Total	197,419	109%	72,976	102%	42,983	100%	1,909,075	100%
Eliminations	(16,583)	-9%	(1,489)	-2%	0	0%		
Accumulated Depreciation and Amortisation							(695,325)	
Total (India SA)	180,837	100%	71,487	100%	42,983	100%	1,213,750	
India SA % of Consolidated	75%		84%		78%		72%	
Africa	62,506		13,287		12,099		736,614	
Accumulated Depreciation and Amortisation							(130,130)	
Total (Africa)	62,506		13,287		12,099		606,484	
Africa % of Consolidated	26%		16%		22%		28%	
Eliminations	(2,684)		(26)		0		0	
Eliminations % of Consolidated	-1%		0%		0%		0%	
Consolidated	240,659		84,748		55,082		2,645,689	

Note 11: Cumulative Investments include National optic fibre network.

Nine Months Ended:

Amount in Rs Mn, except ratios

Segment	Nine Months Ended Dec 2015						As at Dec 31, 2015	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services ¹¹	414,293	77%	160,521	76%	86,029	76%	1,444,072	76%
Telemedia Services	35,149	7%	16,036	8%	5,865	5%	88,054	5%
Digital TV Services	21,338	4%	7,225	3%	8,036	7%	61,770	3%
Airtel Business	59,225	11%	13,990	7%	2,028	2%	54,413	3%
Tower Infrastructure Services	41,958	8%	19,761	9%	7,769	7%	182,123	10%
Others	2,260	0%	(1,078)	-1%	486	0%	4,971	0%
South Asia	12,066	2%	(1,088)	-1%	2,856	3%	73,673	4%
Sub Total	586,289	109%	215,366	102%	113,071	100%	1,909,075	100%
Eliminations	(49,832)	-9%	(4,007)	-2%	0	0%		
Accumulated Depreciation and Amortisation							(695,325)	
Total (India & SA)	536,457	100%	211,359	100%	113,071	100%	1,213,750	
India SA % of Consolidated	75%		85%		78%		72%	
Africa	186,821		38,655		32,275		736,614	
Accumulated Depreciation and Amortisation							(130,130)	
Total (Africa)	186,821		38,655		32,275		606,484	
Africa % of Consolidated	26%		15%		22%		28%	
Eliminations	(7,554)		3		0		0	
Eliminations % of Consolidated	-1%		0%		0%		0%	
Consolidated	715,725		250,017		145,346		2,645,689	

Refer Note 11 on Page 12

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, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Mobile Services	000's	336,152	325,899	3%	299,706	12%
India	000's	243,289	235,212	3%	217,215	12%
South Asia	000's	10,792	9,852	10%	7,892	37%
Africa	000's	82,070	80,835	2%	74,599	10%
Telemedia Services	000's	3,597	3,523	2%	3,388	6%
Digital TV Services	000's	11,106	10,576	5%	9,810	13%
Total	000's	350,855	339,999	3%	312,904	12%
Non Voice Revenue as a % of Total Revenues	%	36.7%	35.3%		30.8%	

4.2 Traffic Details – Consolidated

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Mobile Services	Mn Min	334,194	326,238	2%	306,125	9%
India	Mn Min	290,459	282,138	3%	267,485	9%
South Asia	Mn Min	10,066	9,480	6%	8,278	22%
Africa	Mn Min	33,669	34,620	-3%	30,361	11%
Telemedia Services	Mn Min	5,264	5,258	0%	4,250	24%
National Long Distance Services	Mn Min	31,780	31,428	1%	29,144	9%
International Long Distance Services	Mn Min	4,657	4,623	1%	4,264	9%
Total Minutes on Network (Gross)	Mn Min	375,895	367,547	2%	343,782	9%
Eliminations	Mn Min	(31,896)	(31,545)	-1%	(29,525)	-8%
Total Minutes on Network (Net)	Mn Min	343,999	336,002	2%	314,257	9%

4.3 Mobile Services India

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Customer Base	000's	243,289	235,212	3%	217,215	12%
VLR	%	96.0%	96.2%		96.1%	
Net Additions	000's	8,078	4,550	78%	5,463	48%
Pre-Paid (as % of total Customer Base)	%	94.1%	94.2%		94.6%	
Monthly Churn	%	3.4%	3.5%		2.7%	
Average Revenue Per User (ARPU)	Rs	192	193	0%	202	-5%
Average Revenue Per User (ARPU)	US\$	2.9	3.0	-2%	3.3	-11%
Revenue per site per month	Rs	305,602	301,435	1%	305,283	0%
Revenues						
Total Revenues	Rs Mn	139,750	136,556	2%	131,635	6%
Mobile Services	Rs Mn	137,850	134,350	3%	130,137	6%
Others	Rs Mn	1,900	2,206	-14%	1,498	27%
Voice						
Minutes on the network	Mn	290,459	282,138	3%	267,485	9%
Voice Average Revenue Per User (ARPU)	Rs	137	140	-2%	157	-13%
Voice Usage per customer	min	405	404	0%	416	-3%
Voice Realization per minute	paisa	33.75	34.58	-2%	37.67	-10%
Non Voice Revenue						
% of Mobile Services	%	28.9%	27.4%		22.6%	
Of Which						
Messaging & VAS as % of Mobile Services	%	5.3%	5.4%		6.0%	
Data as % of Mobile Services	%	23.1%	21.5%		16.2%	
Others as % of Mobile Services	%	0.5%	0.4%		0.4%	
Data						
Data Customer Base	000's	54,860	51,013	8%	42,249	30%
Of which no. of 3G data customers	000's	28,094	23,895	18%	16,940	66%
As % of Customer Base	%	22.5%	21.7%		19.5%	
Total MBs on the network	Mn MBs	133,946	114,960	17%	77,281	73%
Data Average Revenue Per User (ARPU)	Rs	200	193	4%	170	18%
Data Usage per customer	MBs	843	765	10%	622	35%
Data Realization per MB	paisa	23.77	25.17	-6%	27.36	-13%

4.4 Telemedia Services

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Telemedia Customers	000's	3,597	3,523	2%	3,388	6%
Of which no. of broadband (DSL) customers	000's	1,729	1,636	6%	1,489	16%
As % of Customer Base	%	48.1%	46.4%		43.9%	
Net additions	000's	74	79	-7%	17	342%
Average Revenue Per User (ARPU)	Rs	1,063	1,066	0%	1,036	3%
Average Revenue Per User (ARPU)	US\$	16.1	16.4	-2%	16.7	-4%
Non Voice Revenue as % of Telemedia revenues	%	68.8%	66.9%		64.9%	

4.5 Digital TV Services

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Digital TV Customers	000's	11,106	10,576	5%	9,810	13%
Net additions	000's	530	164	223%	270	96%
Average Revenue Per User (ARPU)	Rs	229	224	2%	214	7%
Average Revenue Per User (ARPU)	US\$	3.5	3.5	0%	3.5	0%
Monthly Churn	%	0.7%	1.3%		1.0%	

4.6 Network and Coverage - India

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Mobile Services						
Census Towns ¹²	Nos	5,126	5,126	0	5,121	5
Non-Census Towns and Villages ¹²	Nos	464,361	464,185	176	462,779	1,582
Population Coverage ¹²	%	87.2%	86.7%		86.8%	
Optic Fibre Network	R Kms	205,901	201,953	3,949	193,625	12,276
Sites on Network	Nos	151,200	149,518	1,682	142,898	8,302
Of which no. of 3G sites	Nos	77,551	62,447	15,104	41,850	35,701
Telemedia Services						
Cities covered	Nos	87	87	0	87	0
Airtel Business						
Submarine cable systems	Nos	7	7	0	7	0
Digital TV Services						
Districts Covered	Nos	639	639	0	639	0
Coverage	%	100%	100%		100%	

Note 12: As per year 2001 census.

4.7 Tower Infrastructure Services

4.7.1 Bharti Infratel Standalone

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Total Towers	Nos	38,206	37,801	405	36,747	1,459
Total Co-locations	Nos	80,366	78,949	1,417	74,331	6,035
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,272	37,195	0%	36,989	1%
Average Sharing Factor	Times	2.10	2.08		2.01	

Additional Information:

4.7.2 Indus Towers

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Total Towers	Nos	118,687	117,579	1,108	115,040	3,647
Total Co-locations	Nos	265,606	261,159	4,447	248,611	16,995
Average Sharing Factor	Times	2.23	2.21		2.14	

4.7.3 Bharti Infratel Consolidated

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Total Towers	Nos	88,055	87,184	870	85,064	2,991
Total Co-locations	Nos	191,921	188,636	3,285	178,748	13,173
Average Sharing Factor	Times	2.17	2.15		2.08	

4.8 Human Resource Analysis – India

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Total Employees ¹³	Nos	19,204	18,932	272	18,823	381
Number of Customers per employee	Nos	13,434	13,169	266	12,241	1,193
Personnel cost per employee per month	Rs	102,917	104,023	-1%	97,679	5%
Gross Revenue per employee per month	Rs	3,071,181	3,072,787	0%	2,878,818	7%

Note 13: Total Employees do not include 42% of Indus towers employees.

4.9 South Asia

4.9.1 Operational Performance

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Customer Base	000's	10,792	9,852	10%	7,892	37%
VLR	%	84.9%	85.4%		89.6%	
Net Additions	000's	940	833	13%	213	340%
Pre-Paid (as % of total Customer Base)	%	98.2%	98.1%		97.4%	
Monthly Churn	%	3.9%	3.9%		4.1%	
Average Revenue Per User (ARPU)	Rs	134	142	-6%	164	-18%
Revenue per site per month	Rs	195,945	193,413	1%	183,731	7%
Voice						
Minutes on the network	Mn	10,066	9,480	6%	8,278	22%
Voice Average Revenue Per User (ARPU)	Rs	101	108	-7%	130	-23%
Voice Usage per customer	min	326	334	-2%	358	-9%
Voice Realization per minute	paisa	30.85	32.25	-4%	36.38	-15%
Non Voice Revenue						
% of Mobile revenues	%	24.9%	24.4%		20.5%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	5.5%	5.8%		6.2%	
Data as % of Mobile revenues	%	16.6%	16.0%		11.1%	
Others as % of Mobile revenues	%	2.8%	2.6%		3.1%	
Data						
Data Customer Base	000's	2,957	2,885	2%	1,837	61%
As % of Customer Base	%	27.4%	29.3%		23.3%	
Total MBs on the network	Mn MBs	7,258	6,254	16%	2,744	164%
Data Average Revenue Per User (ARPU)	Rs	78	79	-1%	82	-5%
Data Usage per customer	MBs	828	768	8%	535	55%
Data Realization per MB	paisa	9.46	10.34	-8%	15.38	-38%

Refer table 8.9.2 on page 48 for KPI's in constant currency.

4.9.2 Network & Coverage

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Sites on Network	Nos	7,065	7,003	62	6,810	255
Of which no. of 3G sites	Nos	4,050	3,766	284	2,504	1,546

4.9.3 Human Resource Analysis

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Total Employees	Nos	660	697	(37)	791	(131)
Number of Customers per employee	Nos	16,352	14,136	2,217	9,977	6,375
Personnel cost per employee per month	Rs.	166,372	164,417	1%	144,607	15%
Gross Revenue per employee per month	Rs.	2,088,300	1,934,683	8%	1,596,326	31%

4.10 Africa

4.10.1 Operational Performance (In Constant Currency)

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Customer Base	000's	82,070	80,835	2%	74,599	10.0%
VLR	%	82.5%	82.4%		84.0%	
Net Additions	000's	1,235	2,511	-51%	3,232	-62%
Pre-Paid (as % of total Customer Base)	%	99.3%	99.4%		99.4%	
Monthly Churn	%	5.9%	5.8%		5.5%	
Average Revenue Per User (ARPU)	US\$	4.2	4.3	-1%	4.6	-8%
Revenue per site per month	US\$	17,321	17,449	-1%	18,281	-5%
Voice						
Minutes on the network	Mn	33,669	34,620	-3%	30,361	11%
Voice Average Revenue Per User (ARPU)	US\$	3.0	3.1	-2%	3.5	-13%
Voice Usage per customer	min	138	145	-4%	140	-1%
Voice Realization per minute	USc	2.19	2.13	3%	2.51	-12%
Non Voice Revenue						
% of Mobile revenues	%	28.0%	27.3%		23.5%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	10.1%	9.9%		9.1%	
Data as % of Mobile revenues	%	14.3%	13.5%		10.5%	
Others as % of Mobile revenues	%	3.6%	3.9%		3.9%	
Data						
Data Customer Base	000's	15,406	14,292	8%	11,242	37%
As % of Customer Base	%	18.8%	17.7%		15.1%	
Total MBs on the network	Mn MBs	20,049	16,483	22%	9,475	112%
Data Average Revenue Per User (ARPU)	US\$	3.3	3.4	-2%	3.2	4%
Data Usage per customer	MBs	453	403	12%	290	56%
Data Realization per MB	USc	0.73	0.84	-13%	1.10	-33%

Note 14: All KPI's reported above based on closing currency rates on March 5, 2015.

4.10.2 Network & Coverage

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Sites on Network	Nos	19,712	19,330	382	18,347	1,365
Of which no. of 3G sites	Nos	12,262	11,457	805	9,228	3,034

4.10.3 Human Resource Analysis

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Q-on-Q Growth	Dec 31, 2014	Y-on-Y Growth
Total Employees	Nos	5,004	5,155	(151)	5,367	(363)
Number of Customers per employee	Nos	16,401	15,681	720	13,900	2,501
Personnel cost per employee per month	US\$	6,383	6,468	-1%	6,001	6%
Gross Revenue per employee per month	US\$	68,356	65,772	4%	68,520	0%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India & SA

A. Key Industry Developments

Guidelines for Liberalization of Administratively allotted Spectrum in 800 MHz and 1800 MHz frequency bands.

On 5th November 2015, Department of Telecommunications (DoT) issued the guidelines on Liberalization of Administratively allotted spectrum. Highlights are as under:

- Existing CMTS/UAS/UL licensees can liberalize their entire administratively allotted spectrum holding in 800 MHz and 1800 MHz band in a service area for the balance validity period of right to use spectrum.
- Administratively allotted spectrum in 800 MHz and 1800 MHz bands refers to the spectrum allotted prior to auction of November 2012.
- The spectrum will required to be liberalized for the balance validity period of right to use. After payment of auction determined price, prorated for the balance validity period.
- The entry fee paid will be pro-rated for the balance validity period of the right to use spectrum and will be deducted from the total amount to be paid by the TSP for liberalizing the spectrum.
- In case more than one set of auction determined prices are available, the latest auction determined prices for the respective frequency band as available at the time of calculation of amount payable for liberalization of spectrum, would be applied.
- If the auction determined price is more than one year old then the prevailing market rates would be determined by indexing the last auction price at the rate of SBI PLR.
- In case the spectrum gets liberalized, the One Time Spectrum Charges (OTSC) will be charged up to the date for calculation of charges for liberalizing the spectrum and the same has to be paid by the licensee. However, if such demand is pending due to judicial intervention barring any coercive action, a bank guarantee equal to this amount shall be submitted pending final outcome of judicial process.
- After getting the spectrum liberalized, the TSPs may combine the same with the spectrum acquired by them in the same band through auctions/ trading. For the service area where the auction determined price is not available for that band, the above guideline will not be available.

B. Key Company Developments

- Airtel announced its largest capital expenditure of Rs 60,000 crore in the next 3 years towards a comprehensive network

transformation program – “Project Leap”. The 10-point program under “Project Leap” will enable the company to improve network quality and deliver a world-class voice and data experience for its customers in India

- In an industry first, Airtel invited customers in its network modernization drive by launching a microsite www.airtel.in/leap. It allows the customers to know everything they want to know about project leap and get a transparent view of coverage of voice and high speed broadband services along with other details in their respective localities.
- Airtel launched India’s first unrestricted-validity data plan for its prepaid mobile customers. The company reinforced its commitment of “Customers First” by enabling its prepaid users to enjoy unrestricted validity towards consuming their data quota.
- Airtel’s Wynk Music crossed a momentous feat of 12 million downloads. After achieving this in a short span of little over 12 months of its launch, the company also introduced its new offerings on the service for its customers like 2G performance optimizations, ‘Save Data’ mode for up to 70% data savings, HD music catalogue with a library from over 500 Indian and International labels. With 5 million songs streamed per day, the company also rolled out subscriptions of Wynk Plus bundled with Airtel data plans.
- Airtel expanded its content portfolio by launching beta phase of ‘Wynk Games’ mobile application – the company’s latest OTT addition to the Wynk portfolio. The app offers a library of over 2,000 global and local games from across genres. ‘Wynk Games’ subscription is free for Airtel users and at promotional price of Rs. 29 for other customers in the current beta phase of app
- Airtel launched Wi-Fi app - ‘Airtel Hangout’ for seamless connectivity to Airtel Wi-Fi zones & experience faster mobile internet speeds. With a big focus on Airtel Wi-Fi zones, the company has already gone live across 8 locations in Delhi/NCR and plans to roll out nationally soon
- The DTH arm of the company – Airtel Digital TV launched its first 4K-Ultra HD (UHD) channel. With the launch of UHD channel, Airtel enables its customers to experience the 4 times superior picture quality as compared to HD channels.
- In an industry first, Airtel revolutionized the smartphone experience for its customer by offering irresistible data benefits and surprises ranging from 50% daily Data ‘Cashback ‘ offer, sharing of 3G/4G packs in Family as well as Smartphone Surprise offers. With this, Airtel has further established itself as an undisputed preferred partner for data experience on any smartphone.
- Airtel and Government of Madhya Pradesh in collaboration launched an internet literacy program- ‘eShakti’, to build internet awareness and access for women working with various government departments and for girl students of government-run schools and colleges. Through this initiative, the Company has successfully imparted internet awareness training to more than 1 lakh women across 16

districts in the state of Madhya Pradesh. The initiative was launched during the Digital India Week on 7th July, 2015.

- Airtel talk wins the Gold Stevie in the 'Utility and service app' category at 12th annual International Business Awards 2015.
- Airtel Business has won the coveted Aegis Graham Bell Award for its mHealth solution. MHealth solution is aim to improve the delivery of primary health services, specifically for expecting mothers in rural India, by leveraging technology.
- Airtel Global Revenue Assurance & Fraud Management team wins the "Operator Excellence award" in the category of "Business Innovation in Risk Management" at Subex user conference organized at Prague, Czech Republic. Airtel's nomination was based on the location agnostic model of delivering Revenue Assurance & Fraud Management in 42 business units spanning 20 countries. It represented our initiatives towards strong revenue assurance practices, delivering net cash benefit and global governance model.

5.2 Africa

A. Key Industry Developments

- Mobile Money licence from Central Bank of Central African Countries ("BEAC"): Airtel has obtained cross border mobile money licences from BEAC based in Yaounde Cameroun, it allows cross border mobile money transactions within all our Central African operations.
- Airtel Nigeria and Madagascar licenses have been renewed.
- Airtel Nigeria has got the approval for right to use its 1800 Mhz spectrum for LTE purpose.
- Infrastructure Sharing in Tanzania: In order to meet Rural Coverage Obligations with reasonable investment, operators including Airtel have come together to build a Joint Rural Network, subsequent to regulatory approvals.

B. Key Company Developments

- Airtel has signed a definitive agreement with Orange to sell its operations in Burkina Faso and Sierra Leone. The companies had signed an initial agreement in July 2015 for the sale of Airtel's operations in Burkina Faso, Sierra Leone, Chad and Congo B. The agreement over the latter two countries has lapsed.
- Airtel Ghana has been named Best CSR Company for Education at the 5th Ghana CSR Excellence Awards, which recognizes best practices in corporate social responsibility. Airtel Ghana has been a leader in contributing consistently to innovative solutions and strategies in education, that transforms and empowers communities with initiatives, such as the School Adoption Programme.

- Airtel DRC & UBA officially launch 'LIBIKI', the new microloan service through mobile phones. LIBIKI is the new Airtel money services, which offers small amount of loans to the entrepreneurs or craftsmen who has no access to classical bank credit system.
- Airtel Sierra Leone has received an award in recognition for the role company played in the fight to contain and eradicate the Ebola Virus Disease (EVD), from the Office of the President.
- Airtel Tanzania has scooped awards in a recent Tanzania Leadership Awards 2015. Airtel emerged winners in two categories, the best use of social Media in marketing and Brand excellence within the telecom sector in the country.
- Airtel and I&M Bank Ltd have announced a partnership that enables I&M Bank customers access to their accounts via Airtel Money free of charge. The Bank account holders will now be able to pull money from their bank accounts into their Airtel Money wallets or push money from their Airtel Money wallets to their I&M Bank accounts.
- Airtel and Eaton Towers Conclude Tower Sale Agreement in Burkina Faso. Airtel has now concluded sale of about 9000 telecom towers in eight African countries. Eaton Towers has acquired 2500 tower from Airtel in four countries - Ghana, Uganda, Kenya and Burkina Faso . Airtel has committed 10-year tenancy contract to Eaton Towers which shows Airtel's and Eaton Towers' strategies to drive cost efficiencies throughout the industry via the use of shared passive infrastructure.
- Airtel Kenya launched a new plan – "One Airtel", which offers flat rate for roaming across Africa. 'One Airtel' provides flexible and simple tariff within Airtel Network footprint. Airtel Kenya customers roaming in sixteen Airtel Africa's countries will be treated as local customers on the visited network in terms of pricing, including receiving calls free of charge while retaining their home SIM card.
- Airtel Ghana, has been adjudged the best organization in Learning and Development at the inaugural HR Focus Awards 2015. The award was given for showing innovation, sharpness and accuracy in identifying the learning needs of employees and placing great importance on bridging such needs.
- Airtel Madagascar was the official partner of the 15th Tana International Marathon which was held in October 2015.
- Airtel Africa partners with customer engagement software provider IMImobile, to launch Airtel Artist Management System. The Airtel Artist Management System is a new service innovation, which will enable upcoming music artists to upload and make available their music to potential audiences out of its 83 million subscribers.

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, 2015

- Overall customer base crosses 350 Mn and is at 350.9 Mn across 20 countries, up 12.1% Y-o-Y
- Net addition of 10.9 Mn customers
- Total revenues of Rs 240.7 Bn; up 5.9% Y-o-Y on an underlying basis
- Mobile data revenues of Rs 41.4 Bn; up 44.0% Y-o-Y
- EBITDA at Rs 84.7 Bn; up 8.3% Y-o-Y; EBITDA margin up 1.5% Y-o-Y
- EBIT at Rs 41.0 Bn; up 2.8% Y-o-Y
- Consolidated net income of Rs 11.2 Bn vis-à-vis Rs 14.4 Bn in the corresponding quarter last year

5.3.1 Results for the quarter ended December 31, 2015

Bharti Airtel Consolidated

As on December 31, 2015, the Company had 350.9 Mn customers, an increase of 12.1% as compared to 312.9 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 344.0 Bn as compared to 314.3 Bn in the corresponding quarter last year, representing a growth of 9.5%. Mobile Data traffic grew significantly by 80.2% to 161.3 Bn MBs during the quarter as compared to 89.5 Bn MBs in the corresponding quarter last year.

During the quarter, consolidated revenues stood at Rs 240,659 Mn as compared to Rs 232,171 Mn in the corresponding quarter last year, an increase of 3.7% (growth of 5.9% after normalizing for impact of IUC in India & impact of divestment of tower assets in Africa). Mobile data revenues increased by 44.0% to Rs 41,352 Mn as compared to Rs 28,724 Mn in the corresponding quarter last year. Mobile data revenues now represent 17.2% of the total revenues as compared to 12.4% in the corresponding quarter last year.

India revenues at Rs 176,937 Mn representing a growth of 8.8% compared to corresponding quarter last year. After adjusting for the impact in reduction of termination rates, underlying India revenue growth is 11.6% compared to the corresponding quarter last year.

Consolidated net revenues, after netting off inter-connect costs and cost of goods sold, increased by 4.9% to Rs 212,199 Mn as compared to Rs 202,310 Mn in the corresponding quarter last year. Operating expenses, excluding access costs, costs of goods sold and licence fees during the quarter increased by 2.3% to Rs 104,321 Mn as compared to Rs 101,973 Mn in the corresponding quarter last year.

The Company had an EBITDA of Rs 84,748 Mn during the quarter, an increase of 8.3% as compared to Rs 78,276 Mn in the corresponding quarter last year. EBITDA margin improved during the quarter to 35.2% as compared to 33.7% in the corresponding quarter last year, led by higher flow through to net revenues and improvement in opex productivity. India EBITDA margin at 40.6% has expanded from 39.1% in the corresponding quarter last year (after adjusting for the impact in reduction of termination rates, EBITDA margin for corresponding quarter last year was 39.9%). Depreciation and amortisation expenses amounted to Rs 43,541 Mn as

compared to Rs 38,015 Mn in the corresponding quarter last year, which reflects an increase of 14.5%, led by higher spectrum amortization expenses in India. EBIT for the quarter increased by 2.8% to Rs 40,970 Mn as compared to Rs 39,842 Mn in the corresponding quarter last year. Cash profits from operations (before derivative and exchange fluctuations) during the quarter was lower by 2.8% at Rs 70,853 Mn as compared to Rs 72,858 Mn in the corresponding quarter last year, primarily due to stepped up capex.

Net finance costs at Rs 13,910 Mn were higher by Rs 3,459 Mn primarily on account of higher spectrum related interest cost in India and one off credits in Finance charges in the corresponding quarter last year. Lower investment income in current quarter was offset by lower forex losses in current quarter compared to corresponding quarter last year.

The resultant profit before tax and exceptional items for the quarter ended December 31, 2015 was Rs 29,462 Mn as compared to Rs 31,118 Mn in the corresponding quarter last year, a decrease of 5.3%, the decline primarily attributed to increase in Net finance costs.

The consolidated income tax expense (before the impact on exceptional items) for the period of nine months ending December 31, 2015 was Rs 41,795 Mn, compared to Rs 42,066 Mn in the corresponding period of last year. The effective tax rate in India for this period came in at 31.6% (30.3% excluding dividend distribution tax) compared to 26.5% (25.5% excluding the impact of dividend distribution tax) for the full year ended March 31, 2015. The increase in the underlying effective tax rate in India is primarily on account of expiry/reduction of tax holiday benefits in select units. The tax charge in Africa for the period of nine months ending December 31, 2015 came at \$ 143 Mn (full year 2014-15: \$ 203 Mn) has been lower primarily due to higher losses & change in profit mix of the countries.

After accounting for Rs 2,794 Mn towards net impact of exceptional items (details provided below in 5.3.2), the resultant consolidated net income for the quarter ended December 31, 2015 came in at Rs 11,169 Mn, as compared to Rs 14,365 Mn in the corresponding quarter last year.

The consolidated operating free cash flow during the quarter was lower by 10.6% at Rs 29,666 Mn as compared to Rs 33,181 Mn in the corresponding quarter last year primarily on account of stepped up capex of Rs 55,082 Mn in the current

quarter compared to Rs 45,095 Mn in the corresponding quarter of last year.

The reported Net Debt for the Company was \$ 11,905 Mn compared to \$ 10,766 Mn in the previous quarter. Net Debt excluding deferred payment liabilities to the DOT has reduced to \$ 7,350 Mn as compared to \$ 7,689 Mn in the previous quarter.

5.3.2 Exceptional Items

Exceptional items during the quarter ended December 31, 2015 comprises of: (i) net gain of Rs 60 Mn pertaining to the divestment of telecom tower assets; (ii) charge of Rs 1,152 Mn towards operating costs on network refarming and up-gradation program; (iii) charge of Rs 2,313 Mn towards restructuring activities in a few countries and (iv) net tax impact of Rs 428 Mn and impact on minority interest of Rs 182 Mn on the above.

5.3.3 B2C Services – India

5.3.3.1 Mobile Services

As on December 31, 2015, the Company had 243.3 Mn GSM customers as compared to 217.2 Mn in the corresponding quarter last year, an increase of 12.0%. The churn has increased to 3.4% for the quarter ending December 31, 2015 compared to 2.7% in the corresponding quarter last year primarily on account of competitive pressures but remains the lowest in the industry. On a sequential basis, churn has reduced compared to 3.5% in the previous quarter. Total minutes on network increased by 8.6%, the highest growth in the last 11 quarters to 290.5 Bn as compared to 267.5 Bn in the corresponding quarter last year. Voice realization per minute has dropped by 3.92 paise to 33.75 paise in the current quarter compared to 37.67 paise in the corresponding quarter last year, however the drop in VRPM is 2.05 paise adjusting for the impact of change in IUC rates.

The Company's strong rollout of 3G and 4G has resulted in healthy net adds of 3.8 Mn data customers. As on December 31, 2015, the Company had 54.9 Mn data customers (22.5% of total customers) representing a growth of 29.9% as compared to 42.2 Mn (19.5% of total customers) at the end of the corresponding quarter last year. The total MBs on the network has increased by 73.3% to 133.9 Bn MBs as compared to 77.3 Bn MBs in the corresponding quarter last year. Mobile Data usage per customer and Data ARPU continued their healthy growth path. Mobile Data usage per customer witnessed an increase of 35.5% to 843 MBs during the quarter as compared to 622 MBs in the corresponding quarter last year. Data ARPU increased by 17.7% and touched Rs 200 mark during the quarter from Rs 170 in the corresponding quarter last year.

The Company continued to invest on upgradation and expansion of network sites. By the end of the quarter, the Company had 151,172 sites as compared to 142,898 sites in the corresponding quarter last year. The company has continued its expansion of 3G sites and out of the total number, 51.3% are 3G sites. With 77,551 3G sites, Airtel has the largest 3G network in India. There were 41,850 sites on 3G at the end

of the corresponding quarter last year and 62,447 at the end of the previous quarter.

Revenue from mobile services during the quarter was Rs 139,750 Mn as compared to Rs 131,635 Mn in the corresponding quarter last year, a growth of 6.2%. The growth in revenues is 10.1% after adjusting for IUC rate change impact. Revenue from mobile data accounted for 23.1% of the total mobile revenue during the quarter as compared to 16.2% in the corresponding quarter last year. Mobile data revenue during the quarter grew by 50.6% to Rs 31,839 Mn over the corresponding quarter last year.

EBITDA during the quarter increased by 10.6% to Rs 54,353 Mn as compared to Rs 49,128 Mn in the corresponding quarter last year. EBITDA margin significantly improved to 38.9% during the quarter as compared to 37.3% in the corresponding quarter last year. Improvement in margin is mainly due to sustained revenue growth and tighter control over operating expenses. EBIT during the quarter was Rs 30,977 Mn as compared to Rs 31,614 Mn in the corresponding quarter last year, a decrease of 2.0%. Amortization costs has stepped up due to the impact of 4G launches and 3G launches on 2100 MHz in the Company's 3G gap circles. EBIT margin for the quarter was at 22.2% as compared to 24.0% in the corresponding quarter last year after absorbing the incremental amortization cost on new spectrum acquired which has an impact on EBIT margin of 2.6% .

During the quarter, the mobile business incurred capital expenditure of Rs 32,849 Mn primarily gone in enhancing Company's data capabilities. Operating free cash flows decreased by 24.3% at Rs 21,504 Mn as compared to Rs 28,391 Mn in the corresponding quarter last year largely due to higher capex.

5.3.3.2 Telemedia Services

As on December 31, 2015, the Company had its Telemedia operations in 87 cities with 3.6 Mn customers, out of which approximately 1.7 Mn were broadband (DSL) customers, representing 48.1% of the total Telemedia customers. The Company's continued focus on innovative plans in the market has resulted in healthy DSL net adds of 93 K during the quarter representing 2 consecutive quarters of net adds in excess of 90k. Cumulative net adds for 9 months ending December 31, 2015 increased by 8.3 times compared to corresponding period of last year.

For the quarter ended December 31, 2015, revenues from Telemedia operations were Rs 11,951 Mn as compared to Rs 11,171 Mn in the corresponding quarter last year, a growth of 7.0%. The growth in revenues is 9.3% adjusting for change in IUC rates. EBITDA for the quarter was higher by 25.8% to Rs 5,543 Mn compared to Rs 4,407 Mn in the corresponding quarter last year (the growth is 14.1% after adjusting for the impact of change in IUC rates). EBITDA margin for this segment improved significantly to 46.4% during the quarter as against 39.5% in the corresponding quarter last year. EBIT for the quarter ended December 31, 2015 was Rs 3,134 Mn as compared to Rs 2,016 Mn in the corresponding quarter last year, a growth of 55.5%.

During the quarter ended December 31, 2015, the Company incurred capital expenditure of Rs 2,904 Mn for the Telemedia business. The resultant operating free cash flow during the quarter was Rs 2,640 Mn as compared to Rs 2,728 Mn in the corresponding quarter last year.

5.3.3.3 Digital TV Services

As on December 31, 2015, the Company had its Digital TV operations in 639 districts. DTH had 11.1 Mn customers at the end of the quarter, which represents an increase of 13.2% as compared to the corresponding quarter last year. Net customer additions for Digital TV during the quarter were 530K, the highest in last 18 quarters. As a result of higher HD penetration and upselling of packs, ARPU increased to Rs 229 as compared to Rs 214 in the corresponding quarter last year.

Revenues from Digital TV services increased by 19.1% to Rs 7,422 Mn as compared to Rs 6,234 Mn in the corresponding quarter last year. EBITDA for the quarter increased to Rs 2,474 Mn as compared to Rs 1,707 Mn in the corresponding quarter last year. The reported EBITDA margin improved significantly to 33.3% in the current quarter, as compared to 27.4% in the corresponding quarter last year. The improvement in EBITDA has resulted in an EBIT of Rs 538 Mn in the current quarter, as compared to EBIT loss of Rs 360 Mn in the corresponding quarter last year.

During the current quarter, the Company incurred a capital expenditure of Rs 3,422 Mn. Cash burn during the quarter was higher at Rs 948 Mn primarily on account of higher capex spends due to higher gross adds in the festive season and higher market stock for CAS. This compared to cash flow of Rs 77 Mn in the corresponding quarter last year.

5.3.4 B2B Services – India: Airtel Business

Revenues in this segment include those from: a) Enterprise & Government business (EGB), which is predominantly Data, and b) Global Business which includes wholesale voice and data. The EGB revenues (included in Airtel Business) together with the Corporate Mobile revenues (included in India Mobile) and Corporate Fixed Line revenues (included in Telemedia) is Rs 23,479 Mn in this quarter; this is now 13.3% of the total India revenues, and has grown by 15.3% over the corresponding quarter last year.

Airtel Business segment as reported, clocked revenues of Rs 19,265 Mn during the quarter as compared to Rs 16,177 Mn in the corresponding quarter last year which is a healthy growth of 19.1%. EBITDA stood at Rs 4,688 Mn during the quarter as compared to Rs 3,568 Mn in the corresponding quarter last year, higher by 31.4%. EBIT for the current quarter has significantly increased by 50.8% to Rs 2,909 Mn as compared to Rs 1,928 Mn during the corresponding quarter last year primarily led by improved performance of EBITDA. EBIT margin increased to 15.1% during the quarter as compared to 11.9% in the corresponding quarter last year.

The Company incurred a capital expenditure of Rs 859 Mn in Airtel Business as compared to Rs 367 Mn in the corresponding quarter last year. Operating free cash flow during the quarter

was Rs 3,829 Mn as compared to Rs 3,201 Mn in the corresponding quarter last year.

5.3.5 Tower Infrastructure Services

The financials of this segment reflect standalone operations of Bharti Infratel Limited (Infratel), a subsidiary of the Company, with the interest in Indus Tower Ltd (Indus) disclosed under share of profits from Joint Ventures/ Associates.

Revenues of Infratel for the quarter ended December 31, 2015 has increased by 3.0% to Rs 14,104 Mn as compared to Rs 13,692 Mn in the corresponding quarter last year. EBITDA during the quarter was higher by 2.1% at Rs 6,688 Mn compared to Rs 6,550 Mn in the corresponding quarter of last year. EBIT for the quarter was higher by 1.8% to Rs 3,772 Mn as compared to Rs 3,705 Mn in the corresponding quarter last year. As at the end of the quarter, Infratel had 38,206 towers with average sharing factor of 2.10 times compared to 2.01 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42% of stake, on a consolidated basis, Infratel had 88,055 towers with an average sharing factor of 2.17 times as compared to 2.08 times in the corresponding quarter last year, reflecting an improvement in the tenancy ratio.

Bharti Infratel incurred a capital expenditure of Rs 2,389 Mn during the quarter on a standalone basis. Operating free cash flows during the quarter were Rs 4,299 Mn as compared to Rs 3,980 Mn in the corresponding quarter last year. The share of profits of Indus during the quarter came in at Rs 2,459 Mn as compared to Rs 1,805 Mn in the corresponding quarter last year.

5.3.6 South Asia

As on December 31, 2015, the Company had 10.8 Mn mobile customers on its network compared to 7.9 Mn as at the end of corresponding quarter last year. Minutes of usage grew by 21.6% and were at 10.1 Bn as compared to 8.3 Bn in the corresponding quarter last year.

Data customers represent 27.4% of the total customer base in the current quarter as compared to 23.3% in the corresponding quarter last year. Total data consumption during the quarter increased by 164.5% to 7.3 Bn MBs as compared to 2.7 Bn MBs in the corresponding quarter last year.

The Company had 7,065 network sites by the end of the quarter as compared to 6,810 network sites in the corresponding quarter last year. 3G sites at 4,050 represented 57.3% of the total sites as at the end of the quarter, as compared to 2,504 sites (36.8% of total sites) at the end of the corresponding quarter last year.

Revenues for South Asia bounced back and grew by 9.2%, the highest in 6 quarters to Rs 4,135 Mn as compared to Rs 3,788 Mn in the corresponding quarter last year. Data revenue grew by 62.8% to Rs 687 Mn as compared to Rs 422 Mn in the corresponding quarter last year. Data revenue now represents 16.6% of mobile revenue during the quarter as compared to 11.1% in the corresponding quarter last year. EBITDA loss for

the quarter was at Rs 371 Mn as compared to loss of Rs 271 Mn in the corresponding quarter last year. EBIT loss during the quarter was Rs 1,868 Mn as compared to EBIT loss of Rs 1,782 Mn in the corresponding quarter last year.

During the quarter ended December 31, 2015, the Company incurred capital expenditure of Rs 547 Mn as compared to Rs 427 Mn in the corresponding quarter last year.

5.3.7 Africa

The revenue-weighted currency depreciation versus the US Dollar across 17 countries in Africa over the last 12 months (exit December 31 rates) has been 16.0% mainly caused by depreciation in Zambian Kwacha by 72.2%, Malawian Kwacha by 32.5%, Tanzanian shilling by 24.6%, Madagascar's Malagasy Ariary by 23.2%, Ugandan Shilling by 21.7%, Ghana Cedi by 18.4%, Kenyan Shilling by 12.9%, Nigerian Naira by 11.1% and CFA by 11.1%. To enable comparison on an underlying basis, all financials upto PBT and all operating metrics mentioned below are in constant currency rates as of March 5, 2015 for all the periods. PBT as mentioned below excludes any realized/unrealized derivatives and exchange gain or loss for the period.

As on December 31, 2015, the Company had an aggregate customer base of 82.1 Mn as compared to 74.6 Mn in the corresponding quarter last year, an increase of 10.0%. Customer churn for the quarter was at 5.9% as compared to 5.5% in the corresponding quarter last year. Total minutes on network during the quarter registered a growth of 10.9% to 33.7 Bn as compared to 30.4 Bn in the corresponding quarter last year.

Data customers during the quarter increased by 37.0% to 15.4 Mn as compared to 11.2 Mn in the corresponding quarter last year. Data customers now represent 18.8% of the total customer base, as compared to 15.1% in the corresponding quarter last year. Data traffic has registered a strong growth and has more than doubled on Y-o-Y basis to 20.0 Bn MBs compared to 9.5 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was at 453 MBs as compared to 290 MBs in the corresponding quarter last year, an increase of 56.1%.

The Company's mobile money service, Airtel Money is continuing to show healthy growth. The total customer base

using the Airtel Money platform increased by 44.5% to 8.9 Mn as compared to 6.2 Mn in the corresponding quarter last year. The total number of transactions during the quarter increased by 83.9% to 293 Mn as compared to 160 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has witnessed a strong growth of 80.9% to \$ 4,898 Mn in the current quarter as compared to \$ 2,707 Mn in the corresponding quarter last year.

The Company had 19,712 network sites by the end of the quarter as compared to 18,347 network sites in the corresponding quarter last year. 3G sites at 12,262 represented 62.2% of the total sites as at the end of the quarter, as compared to 9,228 sites (50.3% of total sites) at the end of the corresponding quarter last year.

Africa revenues grew by 3.1%, to \$ 1,026 Mn as compared to \$ 995 Mn in the corresponding quarter of last year (growth of 4.6% adjusting for the impact of divestment of tower assets). Mobile data revenues were \$ 146 Mn during the quarter, reflecting a growth of 40.8% over the corresponding quarter last year. Mobile data revenue now represents 14.3% of the total revenues during the quarter as compared to 10.5% in the corresponding quarter last year.

Opex increased by 3.4% to \$ 584 Mn as compared to \$ 565 Mn in the corresponding quarter last year. EBITDA was at \$ 219 Mn (adjusted EBITDA of \$ 239 Mn) compared to \$ 215 Mn in the corresponding quarter last year. EBITDA margin was at 21.4% (adjusted margin of 22.9%) as compared to 21.6% in the corresponding quarter last year. Depreciation and amortization charges reported at \$ 185 Mn as compared to \$ 172 Mn in the corresponding quarter last year. EBIT for the quarter was reported at \$ 34 Mn as compared to \$ 43 Mn in the corresponding quarter last year. The PBT loss for the quarter was reported at \$ 15 Mn as compared to loss of \$ 10 Mn in corresponding quarter of last year. The net loss for the quarter was \$ 74 Mn as compared to a loss of \$ 136 Mn in the corresponding quarter last year.

Capital expenditure during the quarter was \$ 184 Mn for African operations. Investments are mostly directed towards enhancing data capabilities. The operating free cash flow during the quarter was at \$ 36 Mn, as compared to cash burn of \$ 69 Mn in the corresponding quarter last year.

5.4 Bharti's Three Line Graph

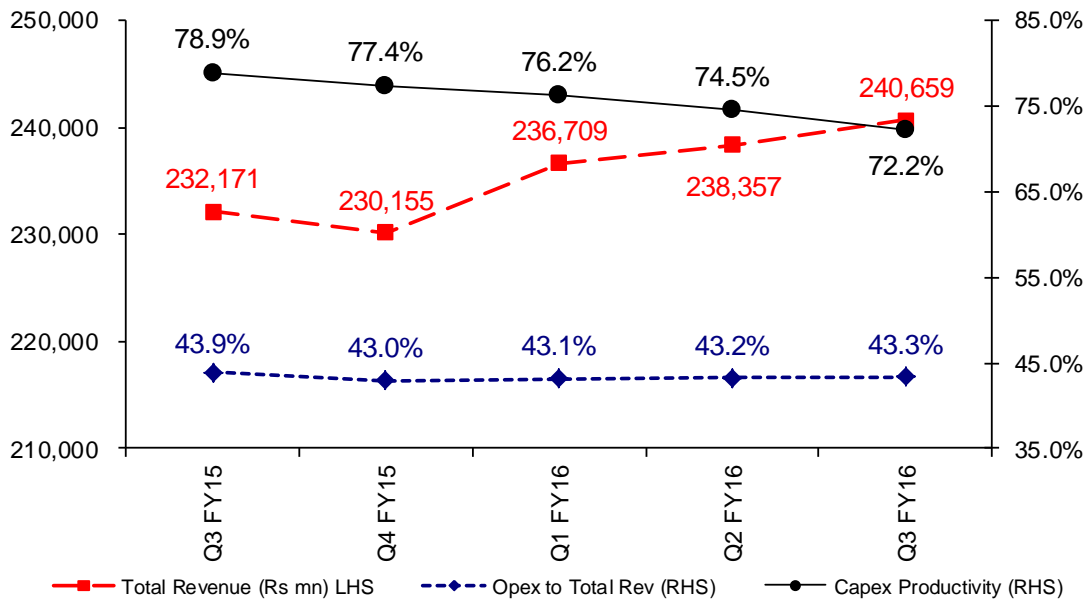
The Company tracks its performance on a three-line graph.

The parameters considered for the three-line graph are:

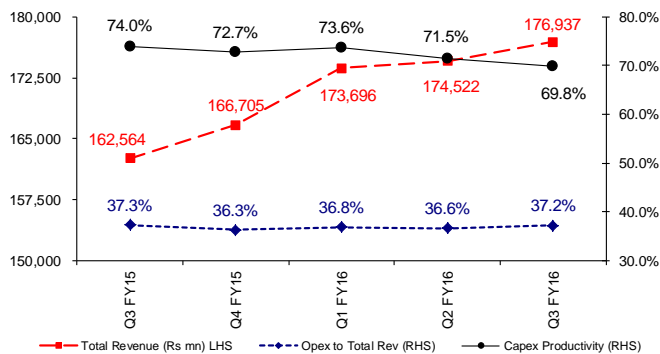
1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii) selling, general and administrative costs. 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:

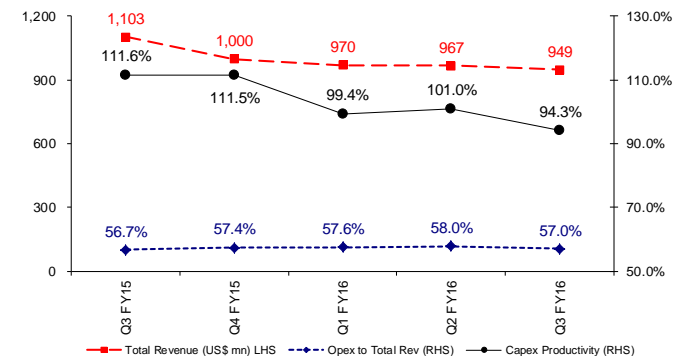
5.4.1 Bharti Airtel – Consolidated



5.4.2 Bharti Airtel – India



5.4.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

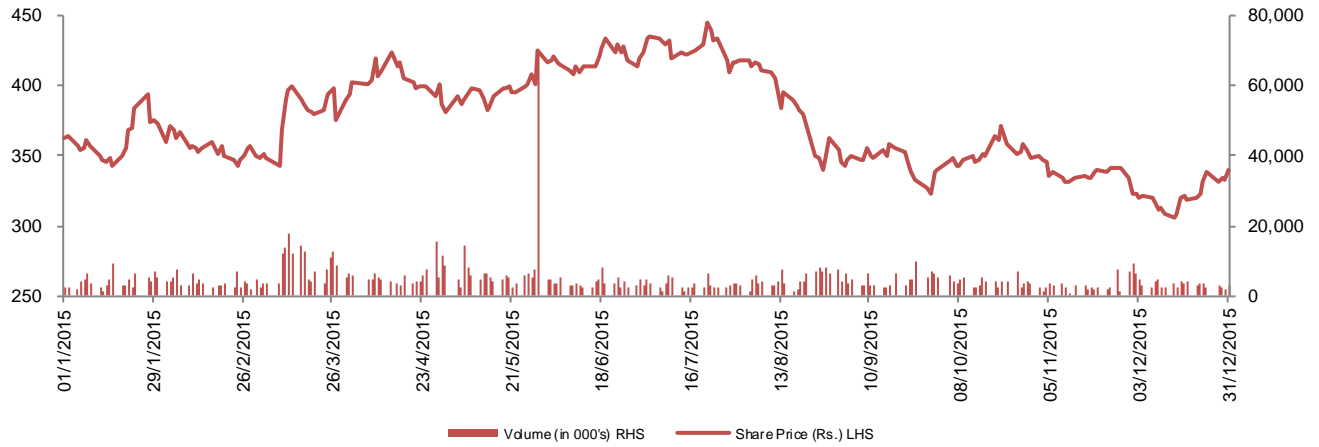
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (31/12/15)	Mn Nos	3,997.40
Closing Market Price - BSE (31/12/15)	Rs /Share	339.90
Combined Volume (NSE & BSE) (01/01/15 - 31/12/15)	Nos in Mn/day	4.87
Combined Value (NSE & BSE) (01/01/15 - 31/12/15)	Rs Mn /day	1,843.96
Market Capitalization	Rs Bn	1,359
Market Capitalization	US\$ Bn	20.52
Book Value Per Equity Share	Rs /share	160.27
Market Price/Book Value	Times	2.12
Enterprise Value	Rs Bn	2,204
Enterprise Value	US\$ Bn	33.29
Enterprise Value/ EBITDA (LTM)	Times	6.67
P/E Ratio (LTM)	Times	24.93

6.2 Summarized Shareholding pattern as of December 31, 2015

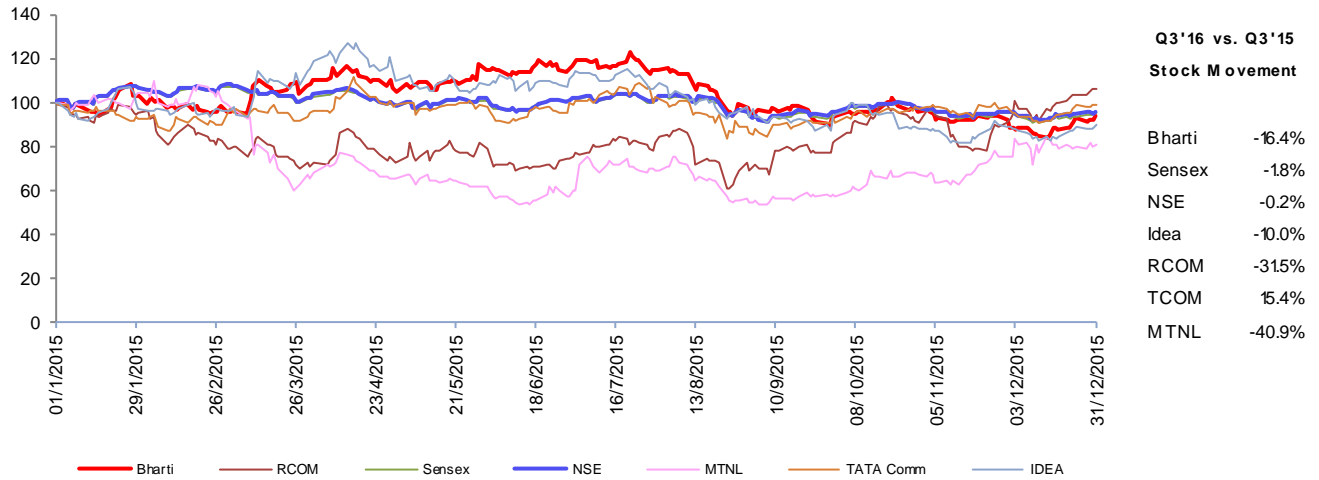
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,757,375,228	43.96%
Foreign	865,673,286	21.66%
Sub total	2,623,048,514	65.62%
Public Shareholding		
Institutions	1,015,426,919	25.40%
Non-institutions	356,990,511	8.93%
Sub total	1,372,417,430	34.33%
Others	1,934,158	0.05%
Total	3,997,400,102	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-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Revenue	240,659	232,171	4%	715,725	690,239	4%
Other operating income	375	110	241%	636	714	-11%
Operating expenses	(156,522)	(154,424)	1%	(466,785)	(458,765)	2%
Depreciation and amortisation	(43,541)	(38,015)	15%	(126,335)	(116,910)	8%
Profit / (Loss) from operations	40,971	39,842	3%	123,241	115,278	7%
Share of results of Joint Ventures and Associates	2,463	1,800		6,993	5,087	
Profit before finance income, finance costs, other expenses, exceptional items and tax	43,434	41,642	4%	130,234	120,365	8%
Finance income	5,115	8,219	-38%	21,475	17,706	21%
Finance costs	(19,026)	(18,669)	2%	(73,202)	(46,779)	56%
Other expenses	(60)	(73)	-18%	(1,003)	(1,357)	-26%
Exceptional items, net	(3,405)	(2,921)		17,505	(6,491)	
Profit before tax	26,058	28,198	-8%	95,009	83,444	14%
Income tax expense (including exceptional items)	(13,499)	(13,145)	3%	(48,606)	(43,236)	12%
Profit for the period	12,559	15,053	-17%	46,403	40,208	15%
Attributable to :						
Equity holders of the parent	11,169	14,365	-22%	41,939	39,282	7%
Non-controlling interests (including exceptional items)	1,390	688	102%	4,464	926	382%
Profit for the period	12,559	15,053	-17%	46,403	40,208	15%
Earnings per share (In Rupees)						
Basic, profit attributable to equity holders of the parent (In Rs)	2.80	3.60		10.50	9.83	
Diluted, profit attributable to equity holders of the parent (In Rs)	2.79	3.59		10.49	9.83	

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-15	Dec-14	Y-on-Y Growth	Dec-15	Dec-14	Y-on-Y Growth
Profit for the period	12,559	15,053	-17%	46,403	40,208	15%
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss :						
Exchange differences on translation of foreign operations	(2,386)	(25,561)	-91%	(10,142)	(41,315)	-75%
Income tax effect	0	0		0	0	
(Losses) / Gains on hedge of net investments	2,517	6,012	-58%	(4,877)	17,655	-128%
Income tax effect	(160)	0		549	0	
(Losses) / Gains on cash flow hedge	227	(2,321)		5,361	(2,321)	
Change in value of available-for-sale investments	(4)	0		1	0	
Income tax effect	2	0		(0)	0	
	196	(21,870)	-101%	(9,109)	(25,981)	65%
Items that will not be reclassified to profit or loss :						
Re-measurement gains / (losses) on defined benefit plans	48	44	9%	(134)	(40)	235%
Income tax effect	(11)	(10)	10%	24	8	200%
	37	34	9%	(110)	(32)	244%
Other comprehensive income / (loss) for the period, net of tax	233	(21,836)	-101%	(9,218)	(26,013)	65%
Total comprehensive income / (loss) for the period, net of tax	12,792	(6,783)	-289%	37,185	14,195	162%
Attributable to :						
Equity holders of the parent	11,538	(5,930)	-295%	31,889	14,882	114%
Non-controlling interests	1,254	(853)	-247%	5,296	(687)	-871%
Total comprehensive income / (loss)	12,792	(6,783)	-289%	37,185	14,195	162%

7.1.3 Consolidated Statement of Financial Position

Particulars	<i>Amount in Rs Mn</i>		
	As at Dec 31, 2015	As at Dec 31, 2014	As at Mar 31, 2015
Assets			
Non-current assets			
Property, plant and equipment	634,664	560,625	579,157
Intangible assets	1,132,320	919,763	922,283
Investment in joint ventures and associates	53,251	49,166	46,257
Other investments	27,837	42,298	31,260
Derivative financial assets	5,662	5,415	7,303
Other financial assets	28,034	16,379	16,018
Other non - financial assets	29,174	26,825	28,383
Deferred tax assets	47,971	58,304	59,502
	1,958,913	1,678,775	1,690,163
Current assets			
Inventories	1,814	1,264	1,339
Trade and other receivables	75,116	72,140	67,252
Derivative financial assets	2,185	1,233	1,207
Prepayments and other assets	54,714	36,118	31,828
Income tax recoverable	11,903	7,401	5,750
Other investments	37,902	61,209	92,840
Other financial assets	13,520	10,203	10,075
Cash and cash equivalents	21,339	25,378	11,719
	218,493	214,946	222,010
Assets of disposal group classified as held for sale	3,737	52,490	45,645
	222,230	267,436	267,655
Total assets	2,181,143	1,946,211	1,957,818
Equity and liabilities			
Equity			
Issued capital	19,987	19,987	19,987
Treasury shares	(525)	(170)	(114)
Share premium	123,456	123,456	123,456
Retained earnings	504,175	460,383	473,025
Other Reserves	(6,429)	5,627	3,210
Equity attributable to equity holders of the Parent	640,664	609,283	619,564
Non-controlling interests	49,484	43,569	48,525
Total equity	690,148	652,852	668,089
Non-current liabilities			
Borrowings	510,456	470,277	452,283
Deferred payment liability	301,588	139,884	143,167
Deferred revenue	16,948	16,657	17,917
Provisions	7,704	6,218	6,248
Derivative financial liabilities	256	1,298	164
Deferred tax liabilities	14,902	16,378	15,110
Other financial liabilities	72,823	18,668	18,939
Other non - financial liabilities	1,529	1,485	1,466
	926,206	670,865	655,294
Current liabilities			
Borrowings	80,008	189,111	211,389
Deferred revenue	51,600	48,387	50,074
Provisions	2,357	1,980	2,061
Other non - financial liabilities	28,079	25,217	15,897
Derivative financial liabilities	1,114	614	628
Income tax liabilities	8,958	9,489	9,271
Trade & other payables	392,481	341,959	339,670
	564,597	616,757	628,990
Liabilities of disposal group classified as held for sale	192	5,737	5,445
	564,789	622,494	634,435
Total liabilities	1,490,995	1,293,359	1,289,729
Total equity and liabilities	2,181,143	1,946,211	1,957,818

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Cash flows from operating activities				
Profit before tax	26,058	28,198	95,009	83,444
Adjustments for -				
Depreciation and amortisation	43,541	38,015	126,335	116,910
Finance income	(5,115)	(8,219)	(5,668)	(17,706)
Finance cost	19,026	18,669	57,395	46,779
Share of results of Joint ventures / associates	(2,463)	(1,800)	(6,993)	(5,087)
Exceptional items (net)	1,057	2,082	(25,149)	2,082
Employee share-based payment expenses	98	28	151	4
Other non-cash items	(84)	(61)	(277)	(9)
Operating cash flow before changes in assets and liabilities	82,118	76,912	240,803	226,417
Trade & other receivables and prepayments	(5,043)	(5,461)	(12,970)	(23,419)
Inventories	(206)	37	(1,000)	131
Trade and other payables	(51)	7,968	21,648	43,685
Provisions	18	98	(771)	500
Other financial and non financial liabilities	1,343	1,075	11,104	(145)
Other financial and non financial assets	(72)	1,566	(9,888)	(4,515)
Cash generated from operations	78,107	82,195	248,926	242,654
Interest received	1,774	137	3,160	1,114
Dividend received from mutual funds	59	86	59	480
Dividend received	0	0	0	12,202
Income tax paid	(11,902)	(13,880)	(37,864)	(31,758)
Net cash inflow from operating activities	68,038	68,538	214,281	224,692
Cash flows from investing activities				
Purchase of property, plant and equipment	(49,316)	(38,225)	(138,094)	(104,598)
Proceeds from sale of property, plant and equipment	1,588	60	2,334	1,792
Purchase of intangible assets	(1,643)	(5,626)	(78,119)	(17,433)
Net movement in current investments	33,417	11,084	55,432	7,104
Purchase of non-current investments	(1,002)	0	(3,015)	(2,528)
Sale of non-current investments	1,100	0	7,642	1,618
Investment in subsidiary, net of cash acquired	0	(358)	(135)	(358)
Sale of tower assets	12,723	0	56,367	0
Investment in associate / joint venture	0	0	0	(10)
Proceeds from Joint venture on account of capital reduction	0	87	0	87
Loan to joint venture / associate	(19)	0	(19)	(154)
Loan repayment received from joint venture / associate	14	0	14	0
Net cash outflow from investing activities	(3,138)	(32,978)	(97,593)	(114,480)
Cash flows from financing activities				
Proceeds from borrowings	12,675	28,508	149,960	280,873
Repayment of borrowings	(72,652)	(51,623)	(288,431)	(391,449)
Net proceeds from short term borrowings	(8,709)	3,325	2,971	3,790
Proceeds from sale and finance lease back of towers	12,099	0	47,915	0
Repayment of finance lease liabilities	(873)	0	(1,638)	0
Repayment of loan to joint venture	0	0	0	(9,173)
Purchase of Treasury stock	0	0	(514)	0
Interest and other finance charges paid	(8,953)	(7,536)	(26,026)	(24,157)
Proceeds from exercise of stock options	15	73	558	188
Dividend paid (including tax)	0	(68)	(15,304)	(21,399)
Sale of interest in a subsidiary	0	0	0	21,230
Net cash inflow / (outflow) from financing activities	(66,398)	(27,321)	(130,509)	(140,097)
Net (decrease) / increase in cash and cash equivalents during the period¹⁵	(1,498)	8,239	(13,821)	(29,885)
Effect of exchange rate changes on cash and cash equivalents	66	24	1,489	(405)
Add : Balance as at the beginning of the period	(12,315)	1,022	(1,415)	39,575
Balance as at the end of the period	(13,747)	9,285	(13,747)	9,285

Note 15: Cash and Cash Equivalents is including bank overdraft.

7.2 Schedules to Financial Statements

7.2.1 India

7.2.1.1 Schedule of Operating Expenses

Particulars	Amount in Rs Mn			
	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Access charges	19,658	20,392	59,903	58,906
Licence fees, revenue share & spectrum charges	19,293	17,775	57,664	52,705
Network operations costs	39,293	37,745	114,874	111,208
Cost of goods sold	734	344	2,579	1,033
Employee costs	5,929	5,516	17,969	16,667
Selling, general and administration expense	20,819	17,829	61,221	55,155
Operating Expenses ¹⁶	105,726	99,601	314,209	295,674

Note 16: Operating Expense reported above for the quarter ended and nine months ended Dec-15, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

7.2.1.2 Schedule of Depreciation & Amortization

Particulars	Amount in Rs Mn			
	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Depreciation	23,053	20,896	67,889	63,822
Amortization	7,682	3,849	19,613	10,433
Depreciation & Amortization ¹⁷	30,735	24,745	87,502	74,254

Note 17: Depreciation & Amortization reported above for the quarter ended and nine months ended Dec-15, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

7.2.1.3 Schedule of Income Tax

Particulars	Amount in Rs Mn			
	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Current tax expense	7,455	8,696	25,089	29,234
Deferred tax expense / (income)	1,995	969	5,481	(817)
Dividend distribution tax	458	390	1,300	1,030
Income tax expense ¹⁸	9,908	10,055	31,870	29,446

Note 18: Income tax expense reported above for the quarter ended and nine months ended Dec-15, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

7.2.2 South Asia

7.2.2.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Access charges	764	552	2,097	1,822
Licence fees, revenue share & spectrum charges	529	383	1,322	1,136
Network operations costs	1,465	1,446	4,245	4,110
Cost of goods sold	37	70	129	184
Employee costs	329	308	993	957
Selling, general and administration expense	1,382	1,300	4,368	3,773
Operating Expenses	4,506	4,059	13,154	11,982

7.2.2.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Depreciation	1,232	1,264	3,436	3,542
Amortization	266	247	785	727
Depreciation & Amortization	1,497	1,511	4,221	4,269

7.2.3 Africa

7.2.3.1 Schedule of Operating Expenses (In Constant Currency)

Amount in US\$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Access charges	149	145	450	433
Licence fees, revenue share & spectrum charges	60	59	175	171
Network operations costs	209	206	638	586
Cost of goods sold	13	9	35	27
Employee costs	96	88	289	266
Selling, general and administration expense	280	271	814	800
Operating Expenses ¹⁹	806	779	2,400	2,283

Note 19: Operating Expense reported above for the quarter ended and nine months ended Dec-15 and Dec-14, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.
Refer Note 10 on page 11

7.2.3.2 Schedule of Depreciation & Amortization (In Constant Currency)

Amount in US\$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Depreciation	150	134	453	431
Amortization	35	38	109	110
Depreciation & Amortization ²⁰	185	172	562	541

Note 20: Depreciation and Amortization reported above for the quarter ended and nine months ended Dec-15 and Dec-14, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.
Refer Note 10 on page 11

7.2.3.3 Schedule of Income Tax

Amount in US\$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Current tax expense	50	16	103	119
Withholding taxes (WHT)	8	7	23	27
Deferred tax expense / (income)	5	18	17	62
Income tax expense ²¹	63	41	143	208

Note 21: Income tax expense reported above for the quarter ended and nine months ended Dec-15 and Dec-14, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

7.3 Consolidated Schedule of Net Debt & Finance Cost

7.3.1 Schedule of Net Debt in INR

Particulars	<i>Amount in Rs Mn</i>		
	As at Dec 31, 2015	As at Dec 31, 2014	As at Mar 31, 2015
Long term debt, net of current portion	510,456	470,277	452,283
Short-term borrowings and current portion of long-term debt	80,008	189,111	211,389
Deferred payment liability	301,588	139,884	143,167
Less:			
Cash and Cash Equivalents	21,339	25,378	11,719
Restricted Cash	2,953	1,999	2,603
Investments & Receivables ²²	79,601	103,507	124,100
Net Debt	788,160	668,388	668,417

7.3.2 Schedule of Net Debt in US\$

Particulars	<i>Amount in US\$ Mn</i>		
	As at Dec 31, 2015	As at Dec 31, 2014	As at Mar 31, 2015
Long term debt, net of current portion	7,711	7,426	7,226
Short-term borrowings and current portion of long-term debt	1,209	2,986	3,377
Deferred payment liability	4,556	2,209	2,287
Less:			
Cash and Cash Equivalents	322	401	187
Restricted cash	45	32	42
Investments & Receivables ²²	1,202	1,634	1,983
Net Debt	11,905	10,554	10,679

Note 22: Investments & Receivables include interest bearing notes and residual portion of Tower sale proceeds receivables.

7.3.3 Schedule of Finance Cost

Particulars	<i>Amount in Rs Mn, except ratios</i>			
	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Interest on borrowings & Finance charges	13,500	10,500	38,625	30,886
Interest on Finance Lease Obligation	1,332	0	2,441	0
Derivatives and exchange (gain)/ loss	312	5,526	16,208	10,719
Investment (income)/ loss	(1,235)	(5,576)	(5,547)	(12,532)
Finance cost (net)	13,910	10,450	51,727	29,073

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 35
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit / (Loss) from Operating Activities	Page 35
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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-15	Dec-14	Dec-15	Dec-14
Profit / (Loss) from Operating Activities To EBITDA				
Profit / (Loss) from Operating Activities	40,971	39,842	123,241	115,278
Add: Depreciation and Amortisation	43,541	38,015	126,335	116,910
Add: CSR Costs	236	418	443	1,250
EBITDA	84,748	78,276	250,017	233,439

Reconciliation of Finance Cost				
Finance Cost	19,026	18,669	73,202	46,779
Finance Income	(5,115)	(8,219)	(21,475)	(17,706)
Finance Cost (net)	13,911	10,450	51,727	29,073

Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation				
Profit / (Loss) from Operating Activities	40,971	39,842	123,241	115,278
Add: Depreciation and Amortisation	43,541	38,015	126,335	116,910
Less: Finance Cost (net)	13,911	10,450	51,727	29,073
Less: Other expenses	60	74	1,003	1,357
Add: Derivatives and exchange (gain)/loss	312	5,526	16,208	10,719
Cash Profit from Operations before Derivative & Exchange Fluctuation	70,853	72,858	213,054	212,476

SECTION 8

TRENDS AND RATIO ANALYSIS

8.1 Based on Statement of Operations

Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	240,659	238,357	236,709	230,155	232,171
Access charges	27,144	27,911	27,419	27,988	28,804
Cost of goods sold	1,315	1,645	1,569	1,306	1,057
Net revenues	212,199	208,801	207,721	200,861	202,310
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	104,321	103,036	102,103	98,862	101,973
Licence Fee	23,506	23,272	23,101	21,735	22,172
EBITDA	84,748	82,653	82,617	80,505	78,276
Cash profit from operations before Derivative and Exchange Fluctuations	70,853	71,114	71,086	72,231	72,858
EBIT	40,970	40,114	42,157	42,720	39,842
Share of results of Joint Ventures/Associates	2,463	2,404	2,126	2,136	1,800
Profit before Tax	29,462	23,035	25,007	25,155	31,118
Net income	11,169	15,227	15,543	12,553	14,365
Capex	55,082	50,343	39,921	64,460	45,095
Operating Free Cash Flow (EBITDA - Capex)	29,666	32,310	42,696	16,045	33,181
Cumulative Investments	2,645,689	2,492,129	2,439,612	2,265,893	2,258,253

	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
As a % of Total revenues					
Access charges	11.3%	11.7%	11.6%	12.2%	12.4%
Cost of goods sold	0.5%	0.7%	0.7%	0.6%	0.5%
Net revenues	88.2%	87.6%	87.8%	87.3%	87.1%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	43.3%	43.2%	43.1%	43.0%	43.9%
Licence Fee	9.8%	9.8%	9.8%	9.4%	9.5%
EBITDA	35.2%	34.7%	34.9%	35.0%	33.7%
Cash profit from operations before Derivative and Exchange Fluctuations	29.4%	29.8%	30.0%	31.4%	31.4%
EBIT	17.0%	16.8%	17.8%	18.6%	17.2%
Share of results of JV / Associates	1.0%	1.0%	0.9%	0.9%	0.8%
Profit before tax	12.2%	9.7%	10.6%	10.9%	13.4%
Net income	4.6%	6.4%	6.6%	5.5%	6.2%

Refer Note 6 & 7 on page 6

India & South Asia
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	180,837	178,276	177,344	170,212	166,148
Access charges	20,240	21,102	20,025	20,448	20,774
Cost of goods sold	770	959	979	712	414
Net revenues	159,826	156,216	156,341	149,053	144,960
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	68,979	67,024	67,019	63,516	63,691
Licence Fee	19,822	19,557	19,607	18,282	18,158
EBITDA	71,487	69,930	69,942	67,604	63,324
EBIT	39,049	38,867	41,396	40,772	36,650
Profit before Tax	31,235	28,935	33,397	38,694	38,198
Net income (before exceptional items)	19,147	15,671	20,330	25,535	25,650
Capex	42,983	39,677	30,410	42,250	27,517
Operating Free Cash Flow (EBITDA - Capex)	28,504	30,252	39,532	25,354	35,806
Cumulative Investments	1,909,075	1,773,516	1,732,251	1,584,349	1,500,781

	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
As a % of Total revenues					
Access charges	11.2%	11.8%	11.3%	12.0%	12.5%
Cost of goods sold	0.4%	0.5%	0.6%	0.4%	0.2%
Net revenues	88.4%	87.6%	88.2%	87.6%	87.2%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	38.1%	37.6%	37.8%	37.3%	38.3%
Licence Fee	11.0%	11.0%	11.1%	10.7%	10.9%
EBITDA	39.5%	39.2%	39.4%	39.7%	38.1%
EBIT	21.6%	21.8%	23.3%	24.0%	22.1%
Profit before tax	17.3%	16.2%	18.8%	22.7%	23.0%
Net income	10.6%	8.8%	11.5%	15.0%	15.4%

Refer Note 8 on page 7

India
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	176,937	174,522	173,696	166,705	162,564
Access charges	19,658	20,678	19,567	20,051	20,392
Cost of goods sold	734	918	928	647	344
Net revenues	156,545	152,927	153,202	146,008	141,828
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	65,831	63,895	64,000	60,578	60,672
Licence Fee	19,293	19,155	19,216	17,907	17,775
EBITDA	71,883	70,172	70,213	67,870	63,594
EBIT	40,938	40,475	43,016	42,577	38,432
Profit before Tax	34,064	31,418	35,525	41,266	40,734
Net income (before exceptional items)	22,029	18,164	22,466	28,115	28,194
Capex	42,436	38,360	29,418	40,920	27,090
Operating Free Cash Flow (EBITDA - Capex)	29,447	31,811	40,795	26,950	36,504
Cumulative Investments	1,835,403	1,700,205	1,662,010	1,516,524	1,433,023

	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
As a % of Total revenues					
Access charges	11.1%	11.8%	11.3%	12.0%	12.5%
Cost of goods sold	0.4%	0.5%	0.5%	0.4%	0.2%
Net revenues	88.5%	87.6%	88.2%	87.6%	87.2%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	37.2%	36.6%	36.8%	36.3%	37.3%
Licence Fee	10.9%	11.0%	11.1%	10.7%	10.9%
EBITDA	40.6%	40.2%	40.4%	40.7%	39.1%
EBIT	23.1%	23.2%	24.8%	25.5%	23.6%
Profit before tax	19.3%	18.0%	20.5%	24.8%	25.1%
Net income	12.5%	10.4%	12.9%	16.9%	17.3%

Refer Note 8 on page 7

South Asia
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	4,135	4,045	3,886	3,706	3,788
Access charges	764	681	652	581	552
Cost of goods sold	37	41	51	65	70
Net revenues	3,335	3,324	3,182	3,061	3,166
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	3,176	3,163	3,267	2,953	3,053
Licence Fee	529	402	391	374	383
EBITDA	(371)	(242)	(476)	(266)	(271)
EBIT	(1,868)	(1,612)	(1,829)	(1,940)	(1,782)
Profit before Tax	(2,808)	(2,488)	(2,338)	(2,707)	(2,536)
Net income (before exceptional items)	(2,861)	(2,498)	(2,346)	(2,715)	(2,545)
Capex	547	1,317	992	1,330	427
Operating Free Cash Flow (EBITDA - Capex)	(917)	(1,559)	(1,468)	(1,596)	(698)
Cumulative Investments	73,673	73,311	70,241	67,825	67,758

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Exchange Fluctuation Impact					
Reported revenues (Rs Mn)	4,135	4,045	3,886	3,706	3,788
a. QoQ growth (%)	2.2%	4.1%	4.84%	-2.6%	-2.70%
b. Impact of exchange fluctuation (%) ²³	-0.47%	2.23%	2.05%	-0.48%	2.19%
c. QoQ growth in constant currency (%) (a - b)	2.68%	1.89%	2.79%	-1.68%	-4.89%
Revenues in constant currency (Rs Mn) ²⁴	4,001	3,896	3,824	3,720	3,784

Note 23: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter

Note 24: Revenues for above periods restated at the March 5, 2015 closing exchange rates of each country.

	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
As a % of Total revenues					
Access charges	18.5%	16.8%	16.8%	15.7%	14.6%
Cost of goods sold	0.9%	1.0%	1.3%	1.8%	1.8%
Net revenues	80.6%	82.2%	81.9%	82.6%	83.6%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	76.8%	78.2%	84.1%	79.7%	80.6%
Licence Fee	12.8%	9.9%	10.1%	10.1%	10.1%
EBITDA	-9.0%	-6.0%	-12.2%	-7.2%	-7.1%
EBIT	-45.2%	-39.9%	-47.1%	-52.3%	-47.0%
Profit before tax	-67.9%	-61.5%	-60.2%	-73.0%	-67.0%
Net income	-69.2%	-61.7%	-60.4%	-73.2%	-67.2%

Africa: In INR
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	62,506	62,721	61,595	62,153	68,276
Access charges	9,258	9,316	9,389	9,543	10,055
Cost of goods sold	715	686	593	597	643
Net revenues	52,533	52,719	51,612	52,013	57,578
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	35,645	36,320	35,454	35,680	38,637
Licence Fee	3,684	3,714	3,494	3,453	4,014
EBITDA	13,287	12,695	12,674	12,901	14,953
EBIT	1,947	1,216	761	1,947	3,195
Profit before Tax	(1,299)	(9,589)	(8,777)	(13,539)	(7,079)
Net income (before exceptional items)	(4,869)	(11,026)	(9,768)	(11,389)	(8,359)
Capex	12,099	10,665	9,511	22,210	17,578
Operating Free Cash Flow (EBITDA - Capex)	1,188	2,030	3,163	(9,309)	(2,625)
Cumulative Investments	736,614	718,613	707,361	681,544	757,472

	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
As a % of Total revenues					
Access charges	14.8%	14.9%	15.2%	15.4%	14.7%
Cost of goods sold	1.1%	1.1%	1.0%	1.0%	0.9%
Net revenues	84.0%	84.1%	83.8%	83.7%	84.3%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	57.0%	57.9%	57.6%	57.4%	56.6%
Licence Fee	5.9%	5.9%	5.7%	5.6%	5.9%
EBITDA	21.3%	20.2%	20.6%	20.8%	21.9%
EBIT	3.1%	1.9%	1.2%	3.1%	4.7%
Profit before tax	-2.1%	-15.3%	-14.3%	-21.8%	-10.4%
Net income	-7.8%	-17.6%	-15.9%	-18.3%	-12.2%

Refer Note 8 on page 7

Africa: In USD Constant Currency ^{Note 25}
Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	1,026	1,017	989	982	995
Access charges	149	150	151	151	145
Cost of goods sold	13	12	10	9	9
Net revenues	864	856	828	822	841
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	584	589	568	563	565
Licence Fee	60	59	56	55	59
EBITDA	219	206	203	203	215
EBIT	34	25	7	30	43
Profit before tax ²⁶	(15)	(23)	(41)	(14)	(10)
Capex	184	162	150	357	284
Operating Free Cash Flow (EBITDA - Capex)	36	44	53	(154)	(69)
Cumulative Investments	11,127	10,931	11,095	10,889	11,940

	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
As a % of Total revenues					
Access charges	14.5%	14.7%	15.3%	15.3%	14.6%
Cost of goods sold	1.3%	1.1%	1.0%	1.0%	0.9%
Net revenues	84.2%	84.1%	83.7%	83.7%	84.5%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	56.9%	57.9%	57.4%	57.3%	56.8%
Licence Fee	5.8%	5.8%	5.6%	5.6%	6.0%
EBITDA	21.4%	20.3%	20.5%	20.7%	21.6%
EBIT	3.3%	2.4%	0.7%	3.1%	4.3%
Profit before tax ²⁶	-1.5%	-2.3%	-4.1%	-1.4%	-1.0%

Note 25: Closing currency rates as on March 5, 2015 (AOP FY 15-16 finalization date) considered for above financials upto PBT. Actual currency rates taken for Capex & Cumulative Investments.

Note 26: PBT excludes any realized / unrealized derivatives and exchange (gain)/ loss for the period.

Africa: In USD Reported Currency
Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	949	967	970	1,000	1,103
Access charges	141	144	148	154	163
Cost of goods sold	11	11	9	10	10
Net revenues	798	813	813	837	930
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	541	560	559	574	626
Licence Fee	56	57	55	56	65
EBITDA	202	195	200	207	241
EBIT	29	18	12	31	51
Profit before Tax	(20)	(148)	(138)	(218)	(115)
Net income (before exceptional items)	(74)	(170)	(154)	(183)	(136)
Capex	184	162	150	357	284
Operating Free Cash Flow (EBITDA - Capex)	18	33	50	(150)	(43)
Cumulative Investments	11,127	10,931	11,095	10,889	11,940

	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
As a % of Total revenues					
Access charges	14.8%	14.9%	15.2%	15.4%	14.7%
Cost of goods sold	1.1%	1.1%	1.0%	1.0%	0.9%
Net revenues	84.0%	84.1%	83.8%	83.7%	84.3%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	57.0%	58.0%	57.6%	57.4%	56.7%
Licence Fee	5.9%	5.9%	5.7%	5.6%	5.9%
EBITDA	21.2%	20.2%	20.6%	20.7%	21.9%
EBIT	3.1%	1.9%	1.3%	3.1%	4.6%
Profit before tax	-2.1%	-15.3%	-14.2%	-21.8%	-10.5%
Net income from operations	-7.8%	-17.6%	-15.8%	-18.3%	-12.3%

Refer Note 8 on page 7

8.2 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	139,750	136,556	137,987	134,135	131,635
EBITDA	54,353	52,679	53,489	51,744	49,128
<i>EBITDA / Total revenues</i>	38.9%	38.6%	38.8%	38.6%	37.3%
EBIT	30,977	30,726	33,744	33,954	31,614
Capex	32,849	31,015	22,166	34,598	20,738
Operating Free Cash Flow (EBITDA - Capex)	21,504	21,664	31,324	17,145	28,391
Cumulative Investments	1,444,072	1,318,752	1,290,246	1,153,195	1,071,544

Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	11,951	11,770	11,427	11,288	11,171
EBITDA	5,543	5,222	5,270	5,165	4,407
<i>EBITDA / Total revenues</i>	46.4%	44.4%	46.1%	45.8%	39.5%
EBIT	3,134	2,857	2,967	2,853	2,016
Capex	2,904	1,390	1,572	1,672	1,679
Operating Free Cash Flow (EBITDA - Capex)	2,640	3,833	3,698	3,493	2,728
Cumulative Investments	88,054	86,166	84,772	83,571	81,947

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	7,422	7,068	6,848	6,348	6,234
EBITDA	2,474	2,343	2,408	2,078	1,707
<i>EBITDA / Total revenues</i>	33.3%	33.1%	35.2%	32.7%	27.4%
EBIT	538	170	415	80	(360)
Capex	3,422	2,501	2,113	1,330	1,630
Operating Free Cash Flow (EBITDA - Capex)	(948)	(158)	295	748	77
Cumulative Investments	61,770	58,653	56,216	54,109	52,948

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	19,265	20,269	19,690	17,805	16,177
EBITDA	4,688	5,194	4,108	3,079	3,568
<i>EBITDA / Total revenues</i>	<i>24.3%</i>	<i>25.6%</i>	<i>20.9%</i>	<i>17.3%</i>	<i>22.1%</i>
EBIT	2,909	3,473	2,425	1,543	1,928
Capex	859	731	438	371	367
Operating Free Cash Flow (EBITDA - Capex)	3,829	4,463	3,670	2,707	3,201
Cumulative Investments	54,413	53,597	51,907	50,881	50,797

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	14,104	13,908	13,946	13,518	13,692
EBITDA	6,688	6,282	6,791	6,766	6,550
<i>EBITDA / Total revenues</i>	<i>47.4%</i>	<i>45.2%</i>	<i>48.7%</i>	<i>50.0%</i>	<i>47.8%</i>
EBIT	3,772	3,405	3,967	3,810	3,705
Share of results of Joint ventures / Associates	2,459	2,401	2,120	2,139	1,805
Capex	2,389	2,478	2,902	2,720	2,570
Operating Free Cash Flow (EBITDA - Capex)	4,299	3,804	3,889	4,046	3,980
Cumulative Investments	182,123	177,919	173,944	169,968	171,202

Others

Amount in Rs Mn

Particulars	Quarter Ended				
	Dec-15	Sep-15	Jun-15	Mar-15	Dec-14
Total revenues	792	672	796	715	690
EBITDA	(400)	(190)	(488)	317	(430)
EBIT	(404)	(194)	(492)	306	(430)
Capex	14	220	252	207	153
Operating Free Cash Flow (EBITDA - Capex)	(414)	(410)	(741)	110	(584)
Cumulative Investments	4,971	5,117	4,925	4,800	4,585

8.3 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Equity attributable to equity holders of parent	640,664	629,025	638,065	619,564	609,282
Net Debt	788,160	707,770	681,345	668,417	668,388
Net Debt (US\$ Mn)	11,905	10,766	10,687	10,679	10,554
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,428,824	1,336,795	1,319,410	1,287,981	1,277,670

	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Return on Equity attributable to equity holders of parent (LTM)	8.7%	9.3%	9.1%	8.5%	8.1%
Return on Capital Employed (LTM)	9.5%	9.7%	9.1%	8.1%	7.3%
Net Debt to EBITDA (LTM) - US\$	2.34	2.11	2.08	2.08	2.10
Net Debt to EBITDA (Annualised) - US\$	2.38	2.16	2.06	2.06	2.09
Assets Turnover ratio (LTM)	65.8%	68.2%	69.9%	71.1%	70.7%
Interest Coverage ratio (times)	6.75	7.02	8.27	8.21	7.86
Net debt to Equity attributable to equity holders of parent (Times)	1.23	1.13	1.07	1.08	1.10
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	2.80	3.81	3.89	3.14	3.60
Net profit/(loss) per diluted share (in Rs)	2.79	3.81	3.89	3.14	3.59
Book Value Per Equity Share (in Rs)	160.3	157.4	159.6	155.0	152.4
Market Capitalization (Rs Bn)	1,359	1,351	1,679	1,575	1,410
Enterprise Value (Rs Bn)	2,204	2,112	2,402	2,243	2,079

8.4 Operational Performance – India

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Total Customers Base	000's	257,993	249,311	244,518	239,502	230,413
Mobile Services						
Customer Base	000's	243,289	235,212	230,662	226,017	217,215
VLR	%	96.0%	96.2%	95.8%	95.8%	96.1%
Net Additions	000's	8,078	4,550	4,644	8,802	5,463
Pre-Paid (as a % of total Customer Base)	%	94.1%	94.2%	94.4%	94.6%	94.6%
Monthly Churn	%	3.4%	3.5%	3.3%	2.5%	2.7%
Average Revenue Per User (ARPU)	Rs	192	193	198	198	202
Average Revenue Per User (ARPU)	US\$	2.9	3.0	3.1	3.2	3.3
Revenue per site per month	Rs	305,602	301,435	308,227	303,748	305,283
Revenues						
Total Revenues	Rs Mn	139,750	136,556	137,987	134,135	131,635
Mobile Services	Rs Mn	137,850	134,350	136,000	131,874	130,137
Others	Rs Mn	1,900	2,206	1,987	2,261	1,498
Voice						
Minutes on the network	Mn	290,459	282,138	290,802	277,869	267,485
Voice Average Revenue Per User (ARPU)	Rs	137	140	148	151	157
Voice Usage per customer	min	405	404	424	418	416
Voice Realization per minute	paisa	33.75	34.58	34.93	36.22	37.67
Non Voice Revenue						
% of Mobile Services	%	28.9%	27.4%	25.3%	23.7%	22.6%
Of Which						
Messaging & VAS as % of Mobile Services	%	5.3%	5.4%	5.7%	5.7%	6.0%
Data as % of Mobile Services	%	23.1%	21.5%	19.2%	17.6%	16.2%
Others as % of Mobile Services	%	0.5%	0.4%	0.4%	0.4%	0.4%
Data						
Data Customer Base	000's	54,860	51,013	49,470	46,386	42,249
Of which no. of 3G data customers	000's	28,094	23,895	21,360	19,441	16,940
As % of Customer Base	%	22.5%	21.7%	21.4%	20.5%	19.5%
Total MBs on the network	Mn MBs	133,946	114,960	102,015	86,627	77,281
Data Average Revenue Per User (ARPU)	Rs	200	193	181	176	170
Data Usage per customer	MBs	843	765	706	656	622
Data Realization per MB	paisa	23.77	25.17	25.57	26.82	27.36
Telemedia Services						
Telemedia Customers	000's	3,597	3,523	3,444	3,411	3,388
Of which no. of Broadband (DSL) customers	000's	1,729	1,636	1,542	1,508	1,489
As % of Customer Base	%	48.1%	46.4%	44.8%	44.2%	43.9%
Net Additions	000's	74	79	33	23	17
Average Revenue Per User (ARPU)	Rs	1,063	1,066	1,050	1,034	1,036
Average Revenue Per User (ARPU)	US\$	16.1	16.4	16.5	16.6	16.7
Non Voice Revenue as % of Telemedia Revenues	%	68.8%	66.9%	66.6%	66.5%	64.9%
Digital TV						
Digital TV Customers	000's	11,106	10,576	10,412	10,073	9,810
Net additions	000's	530	164	339	263	270
Average Revenue Per User (ARPU)	Rs	229	224	222	214	214
Average Revenue Per User (ARPU)	US\$	3.5	3.5	3.5	3.4	3.5
Monthly Churn	%	0.7%	1.3%	0.8%	1.0%	1.0%

8.5 Traffic Trends – India

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Mobile Services	Mn Min	290,459	282,138	290,802	277,869	267,485
Telemedia Services	Mn Min	5,264	5,258	4,735	4,429	4,250
National Long Distance Services	Mn Min	31,780	31,428	32,038	30,649	29,144
International Long Distance Services	Mn Min	4,657	4,623	5,772	4,817	4,264
Total Minutes on Network (Gross)	Mn Min	332,160	323,446	333,347	317,764	305,143
Eliminations	Mn Min	(31,896)	(31,545)	(32,248)	(30,775)	(29,413)
Total Minutes on Network (Net)	Mn Min	300,264	291,902	301,099	286,989	275,730

8.6 Network and Coverage Trends - India

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Mobile Services						
Census Towns	Nos	5,126	5,126	5,121	5,121	5,121
Non-Census Towns & Villages	Nos	464,361	464,185	464,157	464,045	462,779
Population Coverage	%	87.2%	86.7%	86.7%	86.8%	86.8%
Optic Fibre Network	R Kms	205,901	201,953	199,991	197,351	193,625
Sites on Network	Nos	151,200	149,518	147,616	146,539	142,898
Of which no. of 3G sites	Nos	77,551	62,447	52,886	48,825	41,850
Telemedia Services						
Cities covered	Nos	87	87	87	90	87
Airtel Business						
Submarine cable systems	Nos	7	7	7	7	7
Digital TV Services						
Districts Covered	Nos	639	639	639	639	639
Coverage	%	100%	100%	100%	100%	100%

Refer Note 12 on page 16

8.7 Tower Infrastructure Services

8.7.1 Bharti Infratel Standalone

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Total Towers	Nos	38,206	37,801	37,486	37,196	36,747
Total Co-locations	Nos	80,366	78,949	77,292	75,819	74,331
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,272	37,195	36,936	36,843	36,989
Average Sharing Factor	Times	2.10	2.08	2.05	2.03	2.01

Additional Information

8.7.2 Indus Towers

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Total Towers	Nos	118,687	117,579	116,454	115,942	115,040
Total Co-locations	Nos	265,606	261,159	256,960	253,513	248,611
Average Sharing Factor	Times	2.23	2.21	2.20	2.17	2.14

8.7.3 Bharti Infratel Consolidated

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Total Towers	Nos	88,055	87,184	86,397	85,892	85,064
Total Co-locations	Nos	191,921	188,636	185,215	182,294	178,748
Average Sharing Factor	Times	2.17	2.15	2.13	2.11	2.08

8.8 Human Resource Analysis - India

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Total Employees ¹³	Nos	19,204	18,932	18,764	18,814	18,823
Number of Customers per employee	Nos	13,434	13,169	13,031	12,730	12,241
Personnel Cost per employee per month	Rs	102,917	104,023	108,926	103,671	97,679
Gross Revenue per employee per month	Rs	3,071,181	3,072,787	3,085,632	2,953,569	2,878,818

Refer Note 13 on page 16

8.9 South Asia

8.9.1 Operational Performance

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Customer Base	000's	10,792	9,852	9,019	8,603	7,892
VLR	%	84.9%	85.4%	88.1%	88.8%	89.6%
Net Additions	000's	940	833	416	712	213
Pre-Paid (as % of total Customer Base)	%	98.2%	98.1%	97.7%	97.6%	97.4%
Monthly Churn	%	3.9%	3.9%	3.8%	3.1%	4.1%
Average Revenue Per User (ARPU)	Rs	134	142	147	149	164
Revenue per site per month	Rs	195,945	193,413	187,606	180,658	183,731
Voice						
Minutes on the network	Mn	10,066	9,480	9,097	8,711	8,278
Voice Average Revenue Per User (ARPU)	Rs	101	108	115	117	130
Voice Usage per customer	min	326	334	345	351	358
Voice Realization per minute	paisa	30.85	32.25	33.22	33.30	36.38
Non Voice Revenue						
% of Mobile revenues	%	24.9%	24.4%	22.2%	21.7%	20.5%
Of Which						
Messaging & VAS as % of Mobile revenues	%	5.5%	5.8%	5.6%	5.7%	6.2%
Data as % of Mobile revenues	%	16.6%	16.0%	14.2%	12.9%	11.1%
Others as % of Mobile revenues	%	2.8%	2.6%	2.4%	3.1%	3.1%
Data						
Data Customer Base	000's	2,957	2,885	2,435	2,197	1,837
As % of Customer Base	%	27.4%	29.3%	27.0%	25.5%	23.3%
Total MBs on the network	Mn MBs	7,258	6,254	3,991	3,492	2,744
Data Average Revenue Per User (ARPU)	Rs	78	79	78	79	82
Data Usage per customer	MBs	828	768	560	578	535
Data Realization per MB	paisa	9.46	10.34	13.84	13.68	15.38

8.9.2 Operational Performance (in constant currency)

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Average Revenue Per User (ARPU)	Rs	129	137	145	150	164
Voice Average Revenue Per User (ARPU)	Rs	97	104	112	117	130
Voice Realization per minute	paisa	29.71	31.02	32.59	33.44	36.35

8.9.3 Network and Coverage Trends

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Sites on Network	Nos	7,065	7,003	6,941	6,867	6,810
Of which no. of 3G sites	Nos	4,050	3,766	3,291	3,050	2,504

8.9.4 Human Resource Analysis

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Total Employees	Nos	660	697	715	750	791
Number of Customers per employee	Nos	16,352	14,136	12,614	11,471	9,977
Personnel Cost per employee per month	Rs	166,372	164,417	149,042	148,266	144,607
Gross Revenue per employee per month	Rs	2,088,300	1,934,683	1,811,513	1,647,237	1,596,326

8.10 Africa

8.10.1 Operational Performance (In Constant Currency)

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Customer Base	000's	82,070	80,835	78,323	76,263	74,599
VLR	%	82.5%	82.4%	83.5%	83.9%	84.0%
Net Additions	000's	1,235	2,511	2,061	1,664	3,232
Pre-Paid (as % of total Customer Base)	%	99.3%	99.4%	99.4%	99.4%	99.4%
Monthly Churn	%	5.9%	5.8%	5.4%	5.8%	5.5%
Average Revenue Per User (ARPU)	US\$	4.2	4.3	4.3	4.3	4.6
Revenue per site per month	US\$	17,321	17,449	17,196	17,618	18,281
Voice						
Minutes on the network	Mn	33,669	34,620	32,791	31,045	30,361
Voice Average Revenue Per User (ARPU)	US\$	3.0	3.1	3.1	3.3	3.5
Voice Usage per customer	min	138	145	141	137	140
Voice Realization per minute	US¢	2.19	2.13	2.20	2.37	2.51
Non Voice Revenue						
% of Mobile revenues	%	28.0%	27.3%	27.2%	25.2%	23.5%
Of Which						
Messaging & VAS as % of Mobile revenues	%	10.1%	9.9%	9.7%	9.3%	9.1%
Data as % of Mobile revenues	%	14.3%	13.5%	12.9%	11.5%	10.5%
Others as % of Mobile revenues	%	3.6%	3.9%	4.6%	4.4%	3.9%
Data						
Data Customer Base	000's	15,406	14,292	13,039	12,289	11,242
As % of Customer Base	%	18.8%	17.7%	16.6%	16.1%	15.1%
Total MBs on the network	Mn MBs	20,049	16,483	13,843	11,256	9,475
Data Average Revenue Per User (ARPU)	US\$	3.3	3.4	3.3	3.2	3.2
Data Usage per customer	MBs	453	403	359	321	290
Data Realization per MB	US¢	0.73	0.84	0.92	1.00	1.10

Refer Note 14 on page 18

8.10.2 Network and Coverage Trends

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Sites on Network	Nos	19,712	19,330	19,146	18,819	18,347
Of which no. of 3G sites	Nos	12,262	11,457	10,722	10,011	9,228

8.10.3 Human Resource Analysis

Parameters	Unit	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Total Employees	Nos	5,004	5,155	5,191	5,130	5,367
Number of Customers per employee	Nos	16,401	15,681	15,088	14,866	13,900
Personnel Cost per employee per month	US\$	6,383	6,468	5,953	6,127	6,001
Gross Revenue per employee per month	US\$	68,356	65,772	63,529	64,976	68,520

SECTION 9

KEY ACCOUNTING POLICIES AS PER IFRS

1. Investment in Joint Ventures and Associated

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in its joint ventures and associates are accounted for using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter for post-acquisition changes in the Group's share of the net assets of the joint venture or associate, less any impairment in the value of the investments. Losses of a joint venture or an associate in excess of the Group's interest in that joint venture or associate are not recognized. Additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate. The financial statements of the joint venture or associate are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group. Goodwill relating to the joint venture or associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

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
Customer premises equipment	5 – 6
Assets taken on finance lease	Period of lease or 10 years, as applicable, whichever is less
Computer equipment	3
Office, furniture and equipment	2 – 5

Vehicles	3 – 5
Leasehold improvements	Period of the lease or 10/20 years, as applicable, whichever is less
Assets individually costing Rs. 5 thousand or less	1

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

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, 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 income statement.

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 reclassified to the statement of comprehensive income.

The Company hedges certain net investment in foreign subsidiaries. Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognized in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold.

The Company also apply cash flow hedge accounting for hedge of foreign currency risk in a highly probable forecast transaction. Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income. The ineffective portion of the gain or loss on these hedges is immediately recognized in the income statement. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognized in equity is immediately transferred to the income statement.

5. Finance leases

Lessee accounting

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are

capitalized at the commencement of the lease at the fair value of the leased asset 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 finance 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 group outstanding in respect of the finance 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.

The contracted price is received in advance and is recognized as revenue during the tenure of the agreement. Unearned IRU revenue net of the amount recognizable within one year is disclosed deferred revenue in non-current liabilities and the amount recognizable within one year as deferred revenue 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 services usage charges, bandwidth services, 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 and data messaging services.

Service revenues are recognized as the services are rendered and are stated net of discounts, process waivers and taxes. Revenues from pre-paid cards are recognized based on actual usage. Processing fees on recharge coupons is recognized over the estimated customer relationship period or coupon validity period, whichever is lower. 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. Billings in excess of revenue recognized is treated as unearned and reported as deferred revenue in the statement of financial position.

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 the period of agreement with the customer. Service revenue is recognized from the date of satisfactory installation of equipment and software at the customer site and provisioning of internet and VSAT services.

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 (including installation) is recognized over the period of arrangement.

Unbilled revenue represent revenues recognized from the bill cycle date to the end of reporting period. These are billed in subsequent periods based on the terms of the billing plans / contractual arrangements.

(ii) Equipment sales

Equipment sales consist primarily of revenues from sale of telecommunication equipment and related accessories to subscribers. Revenue from Equipment sales which does not have value to the customer on standalone basis, forming part of multiple-element revenue arrangements are deferred and recognized over the customer relationship period. Revenue from other equipment sales transactions are recognized when the significant risks and rewards of ownership are transferred to the buyer.

(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 VSAT 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 separately identifiable components at the inception of the arrangement. The evaluation is done based on the criteria as to whether the deliverables in the arrangement have value to the customer on a standalone basis.

Total consideration related to the multiple element arrangements is allocated among the different components 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). In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated to the different components on a residual value method.

9. Licenses

Acquired licenses and spectrum are shown at historical cost. Licenses and spectrum acquired in a business combination are recognized at fair value at the acquisition date. Licenses 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.

The revenue-share fee on licenses 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, rights acquired for unlimited license access, 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 : Overestimated useful life
- Customer base: The estimated life of such relationships.
- Rights acquired for unlimited license access: over the period of the agreement which ranges upto five years.

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 consist of interest and other costs that the Group incurs in connection with the borrowing of funds. 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. All other borrowing costs are expensed in the period they occur.

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. Transactions with non-controlling interests

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The differences between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

SECTION 10

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.
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.
Average Towers	Average towers are derived by computing the average of the Opening and Closing towers for the relevant period
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 period.
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.
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	It is computed by dividing the 'data' revenues by the total revenues of mobile services for the relevant period.

Revenue	Data revenue includes revenue from use of data session on GPRS / 3G / 4G 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 1 MB on GPRS / 3G / 4G 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, pre-operating costs and CSR 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, Net Debt and finance lease obligations 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 (LTM).
Finance Lease Obligation (FLO)	Finance Lease Obligation represents present value of future obligation for assets taken on finance lease.
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 Number 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 plus deferred payment liability minus cash and cash equivalents, short-term investments which includes interest bearing notes, receivables towards residual portion of Tower sale proceeds, restricted cash and restricted cash non-current as at the end of the relevant period. This excludes finance lease obligations. Restricted cash deducted does not include cash related to mobile commerce services which is restricted in use.
Net Debt to EBITDA (LTM)	It is computed by dividing net debt as at the end of the relevant period by EBITDA (EBITDA adjusted downwards to the extent of finance lease charges on towers in Africa) 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 (EBITDA adjusted downwards to the extent of finance lease charges on towers in Africa) 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 and cost of goods sold 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, Lease line, 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 etc.
Operating Free Cash flow	It is computed by subtracting capex from EBITDA.
Personnel Cost per Employee per month	It is computed by dividing the Personnel Cost by the closing number of employees in a given business unit and number of months in the relevant period.
Price-Earnings Ratio – P/E Ratio	It is computed by dividing the closing market price (BSE) as at end of the relevant period by the earnings per basic share for the relevant period (LTM).
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, 2011, 2012 and 2013. 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, 2011, 2012 and 2013, 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.
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.
TSP	Telecom Service Provider
Total Operating Expenses	It is defined as sum of 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
UCC	Unsolicited Commercial Calls
DoT	Department of Telecommunications

IP	Internet Protocol
ITFS	International Toll Free Service
QoS	Quality of Service
TDSAT	Telecom Disputes Settlement and Appellate Tribunal
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
VLR	Visitor Location Register

Others

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
KYC	Know Your Customer
MMS	Multimedia Messaging Service
MTM	Mark to Market
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.
BYOD	Bring Your Own Device
STB/CPE	Set Top Box/Customer Premises Equipment
DAS	Digital Addressable System
SIM	Subscriber Identity Module
VAT	Value Added Tax
IPLC	International Private Leased Circuit

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