

BHARTI AIRTEL LIMITED

Registered Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

Audited financial results for the quarter ended June 30, 2015 as per Indian GAAP

Part I		(In Rs. Million except per share data)			
S.No.	Particulars	Quarter Ended June 30,	Quarter Ended March 31,	Quarter Ended June 30,	Year Ended March 31,
		2015	2015	2014	2015
		Audited	Audited	Audited	Audited
1	Income from Operations	148,213	142,921	136,278	554,964
2	Expenses				
	(a) Access charges	19,912	20,298	18,894	79,601
	(b) License Fees, revenue share and Spectrum Charges	17,147	17,292	15,883	67,062
	(c) Depreciation and amortisation expense	21,007	19,860	18,786	75,597
	(d) Power and Fuel	9,714	10,340	10,226	41,151
	(e) Rent	15,527	13,984	14,984	59,790
	(f) Employee benefits expenses	4,735	4,231	4,181	16,915
	(g) Cost of goods sold	249	17	24	76
	(h) Other operating expenses	26,547	24,427	24,207	96,058
	Total Expenses	114,838	110,449	107,185	436,250
3	Profit from operations before Other Income, Finance Costs, Exceptional Items and Tax (1-2)	33,375	32,472	29,093	118,714
4	Other Income	1,533	17,561	1,763	51,930
5	Profit from ordinary activities before finance costs, exceptional items and tax (3+4)	34,908	50,033	30,856	170,644
6	Finance Costs	5,779	5,811	2,716	14,091
7	Profit from ordinary activities after finance costs but before exceptional items and tax	29,129	44,222	28,140	156,553
8	Exceptional items - Loss / (Gain) (Refer note 8)	1,286	(572)	-	-
9	Profit (+) / Loss (-) from ordinary activities before Tax	27,843	44,794	28,140	156,553
10	Tax Expense (including credit of Rs 445 Mn for the quarter ended Jun, 15, expense of Rs 195 Mn and Rs Nil for the quarter and year ended Mar, 15, respectively and Rs Nil for the quarter ended Jun, 14 on exceptional items)	7,892	6,554	6,536	24,548
11	Net profit (+) / loss (-) from ordinary activities after tax	19,951	38,240	21,604	132,005
12	Extraordinary items (net of tax expenses)	-	-	-	-
13	Profit (+) / Loss (-) for the period / year	19,951	38,240	21,604	132,005
14	Paid-up equity share capital (Face value Rs 5/- each)	19,987	19,987	19,987	19,987
15	Reserves excluding revaluation reserves but including employee stock option outstanding (Refer Note 2 below)	773,381	762,721	668,874	762,721
16	Earnings per share (Face value Rs.5/- each) (In Rs.)				
	a. Basic and diluted EPS before extraordinary items				
	i) Basic	4.991	9.566	5.405	33.023
	ii) Diluted	4.991	9.566	5.405	33.023
	b. Basic and diluted EPS after extraordinary items				
	i) Basic	4.991	9.566	5.405	33.023
	ii) Diluted	4.991	9.566	5.405	33.023

Part II		Quarter Ended June 30,	Quarter Ended March 31,	Quarter Ended June 30,	Year Ended March 31,
S.No.	Particulars	2015	2015	2014	2015
		Audited	Audited	Audited	Audited
A	Particulars of Shareholding				
1	Public Shareholding				
	a. Number of shares	1,379,999,090	1,382,770,714	1,381,968,084	1,382,770,714
	b. Percentage of shareholding	34.52%	34.59%	34.57%	34.59%
2	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered				
	- Number of Shares	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
	b) Non-encumbered				
	- Number of Shares	2,616,286,801	2,613,218,746	2,613,218,746	2,613,218,746
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	65.45%	65.37%	65.37%	65.37%
3	Non Promoter - Non Public shareholding				
	- Number of Shares	1,114,211	1,410,642	2,213,272	1,410,642
	- Percentage of shareholding	0.03%	0.04%	0.06%	0.04%

S.No.	Particulars	Quarter Ended June 30,
		2015
B	Status of investor complaints as on June 30, 2015 is as follows:	
	Complaints pending as on April 1, 2015	Nil
	Complaints received during the quarter	Nil
	Complaints resolved during the quarter	Nil
	Complaints pending as on June 30, 2015	Nil

Segmental Reporting

(In Rs Million)

Particulars	Quarter Ended June 30,	Quarter Ended March 31,	Quarter Ended June 30,	Year Ended March 31,
	2015	2015	2014	2015
	Audited	Audited	Audited	Audited
1. Segment Revenue				
Net sales/income from each segment				
a) Mobile Services	127,400	124,229	118,672	482,934
b) Telemedia Services	10,667	10,392	10,040	41,044
c) Airtel Business	17,327	15,708	14,445	59,298
d) Unallocated	-	-	-	-
Total	155,394	150,329	143,157	583,276
Less: Inter Segment Eliminations	7,181	7,408	6,879	28,312
Net sales/Income	148,213	142,921	136,278	554,964
2. Segment Results				
Profit/(Loss) before tax, finance costs / (Income) and exceptional items from each segment				
a) Mobile Services	29,295	31,181	27,336	112,562
b) Telemedia Services	2,946	2,677	1,899	8,506
c) Airtel Business	1,485	222	1,274	3,786
d) Unallocated #	134	(932)	(465)	(4,004)
Total	33,860	33,148	30,044	120,850
Less: Inter Segment Eliminations	-	-	-	-
Total profit/(loss) before tax, finance costs and exceptional items	33,860	33,148	30,044	120,850
Less :				
Net Finance Costs / (Income)	4,731	(11,074)	1,904	(35,703)
Exceptional Items - Loss / (Gain)	1,286	(572)	-	-
Total profit before tax	27,843	44,794	28,140	156,553
3. Capital Employed				
(Segment assets - Segment liabilities) *				
a) Mobile Services	416,655	295,667	296,360	295,667
b) Telemedia Services	17,479	20,329	20,381	20,329
c) Airtel Business	1,072	2,872	5,423	2,872
d) Unallocated **	333,750	436,431	346,842	436,431
Total	768,956	755,299	669,006	755,299

Includes foreign exchange fluctuations in respect of loans given to subsidiaries.

*Excludes inter segment assets and liabilities.

**Includes borrowings for 3G and BWA licenses (including spectrum) of Rs 17,930 Mn, Rs 14,153 Mn and Rs 19,285 Mn as of June 30, 2015, March 31, 2015 and June 30, 2014, respectively.

Notes to the financial results

1. The financial results for the quarter ended June 30, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on August 04, 2015.
2. Reserves and surplus as at June 30, 2015 include Rs. 698 Mn, towards Employee Stock Options Outstanding.
3. During the quarter ended June 30, 2015, the Company made an additional equity investment of USD 500 Mn (Rs. 31,952 Mn) in Bharti Airtel International (Mauritius) Limited - a wholly owned subsidiary of the Company.
4. During the quarter ended June 30, 2015, the Government of India ('GOI') issued Letters of Intent for earmarking the spectrum won by the Company in all the 15 service areas in the auctions conducted during March 2015. Subsequent to the balance sheet date, the GOI has allotted certain portion of earmarked spectrum to the Company. Accordingly, deferred payment liability of Rs. 43,519 Mn has been recognized. The balance amount of Rs. 134,025 Mn, attributable towards the spectrum not yet allotted to the Company, has been disclosed as part of capital commitments.

5. During the quarter ended June 30, 2015, the Company has issued 4.375% Senior Unsecured USD 1,000 Mn (Rs. 63,885 Mn approximately) Notes at the price of 99.304 % that are due for repayment in March 2025. The said Notes are listed on Singapore Exchange.
6. The Scheme of Arrangements ('Scheme') under sections 391 to 394 of the Companies Act, 1956 with respect to the amalgamation of Airtel Broadband Services Private Limited ('ABSPL') - a wholly owned subsidiary of the Company, with the Company, as approved by The Hon'ble High Court of Bombay on April 11, 2014, has been filed by the Company with the Registrar of Companies ('ROC') on April 9, 2015, being the effective and appointed date of the scheme whereby ABSPL shall cease to exist. The Company has accounted for the amalgamation in the nature of merger under the pooling of interest method. Accordingly, the assets, liabilities and reserves in the books of ABSPL have been recognised by the Company as at the date of the amalgamation at the same carrying value. The difference of Rs. 8,599 Mn between share capital of ABSPL and the carrying value of investment in equity shares of ABSPL in the books of the Company, has been adjusted with the reserves of the Company.
7. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company for Rs. 51,353 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, The Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.
8. Exceptional item during the quarter pertains to the regulatory fee provisions of Rs. 1,286 Mn arising out of re-assessment of positions consequent to a recent judicial pronouncement. Tax credit on the above amounted to Rs. 445 Mn.
9. The figures for the quarter ended March 31, 2015 are calculated as the difference between the audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the financial year 2014-15.
10. Previous year's / period's figures have been regrouped / rearranged, wherever required.

For Bharti Airtel Limited

Gopal Vittal
Managing Director and CEO (India & South Asia)

New Delhi
August 04, 2015

'Bharti Airtel', or 'Company', stands for Bharti Airtel Limited.
For more details on the financial results, please visit our website www.airtel.in