Quarterly report on the results for the third quarter and nine months ended December 31, 2010

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

February 02, 2011

The financial statements included in this quarterly report fairly presents in all material respects the financial condition, results of operations, cash flows of the company as of, and for the periods presented in this report.

| Mobile Services I Telemedia Services I Enterprise Services | Digital TV Services |

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 bases underlying the forward-looking statement. We have chosen these assumptions or bases 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 bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases 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 unless they can afford to take the risk of losing their investment. For taking an investment decision, investors must rely on their own examination of Bharti Airtel including the risks involved.

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. All translations from Indian Rupees to United States dollars were made (unless otherwise indicated) using the rate of Rs 44.81 = US $1.00. Similarly all transactions from United States Dollars to Indian Rupees were made (unless otherwise stated) using the rate of US$ 0.0223 = Re.1, being the RBI Reference rate as announced by the Reserve Bank of India on December 31, 2010. 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. Information contained on our website www.airtel.in is not part of this quarterly report.

Functional Translation (Africa & Africa Others): - Wherever Africa and Africa Others financials are reported in the quarterly report, the same are published in their functional 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 "Use of Non - GAAP financial information" on page 26

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 Infratel Ventures Limited (subsidiary of Bharti Infratel 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 i2i Limited, Bharti Airtel Holdings (Singapore) Pte Limited, Bharti Infratel Lanka (Private) Limited (subsidiary of Bharti Airtel Lanka (Private) Limited), Bharti Airtel International (Netherlands) B.V., Bharti International (Singapore) Pte Ltd, Warid Telecom International Limited, Airtel M Commerce Services Limited, Bharti Airtel (Japan) Kabushiki Kaisha (subsidiary of Bharti Airtel Holdings (Singapore) Pte Ltd), Bharti Airtel (France) SAS (subsidiary of Bharti Airtel Holdings (Singapore) Pte Ltd), Bharti Airtel International (Mauritius) Limited, Indian Ocean Telecom Limited, Telecom Seychelles Limited, Bharti Airtel Africa B.V.,Bharti Airtel Acquisition Holdings B.V., Bharti Airtel Burkina Faso Holdings B.V., Bharti Airtel Cameroon 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 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., Zap Mobile Commerce B.V., Zap Holdings B.V., Zain Plc, Airtel Burkina Faso S.A., Celtel Chad S.A., Airtel Congo S.A, Celtel Congo RDC S.a.r.l., Celtel Gabon S.A., Airtel (Ghana) Limited, Airtel Network Kenya Limited, Celtel Madagascar S.A., Airtel Malawi Limited, Celtel Niger S.A., Airtel Networks Limited, Airtel Sierra Leone Limited, Airtel Tanzania Limited, Airtel Uganda Limited, Celtel Zambia plc, Bharti Airtel DTH Holdings B.V., Celtel Cameroon SA, Partnership Investments Sprl, MSI-Celtel Nigeria Limited, Celtel (Mauritius) Holdings Limited, Channel Sea Management Co Mauritius Limited, Zain (IP) Mauritius Limited, Montana International, Zap Trust Company Nigeria Limited, Zain Mobile Commerce Tchad SARL, ZMP Ltd. (Zambia), Zap Trust Company Ltd. (Malawi), Zap Trust Company Ltd. (Ghana), Zap Trust Company Ltd. (Kenya), Zap Niger S.A. (Niger), Zap Trust (SL) Company Ltd. (Sierra Leone), Zap Trust Company Uganda Ltd., Africa Towers N.V., Airtel DTH Services Ghana Limited, Airtel DTH Services Malawi Limited, Airtel DTH Services Uganda Limited, Airtel Towers (Ghana) Limited, Malawi Towers Limited, Mobile Commerce Gabon S.A, Société Malgache de Telephonie Cellulaire SA, Uganda Towers Limited, Zap Trust Company Tanzania Limited.

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.

TABLE OF CONTENTS

Section 1	**Bharti Airtel – Performance at a glance**	**4**
Section 2	**An Overview**	**5**
Section 3	**Financial Highlights as per IFRS**	
3.1	Consolidated - Summary of Consolidated Financial Statements	7
3.2	Region wise - Summary of Consolidated Financial Statements	8
3.3	Segment wise - Summary of Statement of Operations	9
3.4	Region wise & Segment wise - Investment and Contribution	12
Section 4	**Operating Highlights**	**14**
Section 5	**Management Discussion & Analysis**	
5.1	India & South Asia	18
5.2	Africa	20
5.3	Results of Operations	22
Section 6	**Stock Market Highlights**	**24**
Section 7	**Use of Non GAAP Financial Information**	**26**
Annexure	**Detailed Financial and Related Information**	
A.1	Consolidated Financial Statements as per IFRS	30
A.2	Trend & Ratio Analysis	33
A.3	Key Accounting Policies as per IFRS	40
Glossary		**44**

Section 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	UNITS	Full Year Ended			Quarter Ended				
		USGAAP		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
		2008	2009	2010	Dec 2009	Mar 2010	Jun 2010	Sep 2010	Dec 2010
Operating Highlights									
Total Customer Base	000's	64,268	97,594	137,013	125,263	137,013	183,372	194,823	207,799
Total Minutes on Network	Mn Min	314,504	506,070	643,109	160,964	182,001	206,213	216,373	227,262
Network Sites	Nos	69,141	93,368	107,443	103,050	107,443	118,963	123,869	127,878
Total Employees [2]	Nos	25,677	24,839	18,791	18,619	18,791	25,304	24,766	24,501
No. of countries of operation	Nos	1	2	3	2	3	18	19	19
Population Covered	bn	1.14	1.18	1.36	1.18	1.36	1.82	1.82	1.82
Consolidated Financials									
Total Revenue	Rs mn	270,250	369,615	418,472	103,053	107,491	122,308	152,150	157,560
EBITDA before Re-Branding / Acquisition Related Cost	Rs mn	113,715	151,678	168,609	40,823	41,805	45,122	51,212	53,211
Acquisition Related Cost	Rs mn	-	-	976	-	976	982	0	-
Re-Branding Expenditure	Rs mn	-	-	-	-	-	-	-	3,395
EBITDA after Re-Branding / Acquisition Related Cost	Rs mn	113,715	151,678	167,633	40,823	40,829	44,140	51,212	49,816
Cash profit from operations before Derivative & Exchange Fluctuations	Rs mn	110,579	151,990	162,301	39,566	39,588	42,103	45,399	43,854
Cash profit from operations after Derivative & Exchange Fluctuations	Rs mn	111,374	140,065	167,455	41,088	41,185	39,942	47,893	42,346
Profit / (Loss) before Tax	Rs mn	76,537	93,073	105,091	25,336	24,411	20,719	22,267	15,495
Net income	Rs mn	67,008	84,699	89,768	21,949	20,443	16,816	16,612	13,033
Capex	Rs mn	138,470	140,171	96,431	19,648	18,564	18,361	33,047	43,210
Operating Free Cash Flow (EBITDA - Capex)	Rs mn	(24,755)	11,507	71,202	21,175	22,265	25,779	18,165	6,606
Net Debt	Rs mn	42,057	69,635	23,920	47,733	23,920	602,308	601,438	599,463
Shareholder's Equity	Rs mn	217,042	303,945	421,940	376,921	421,940	435,037	462,174	467,838
Consolidated Financials									
Total Revenue	US$ Mn	6,753	7,254	9,271	2,208	2,381	2,625	3,387	3,516
EBITDA before Re-Branding / Acquisition Related Cost	US$ Mn	2,841	2,977	3,735	875	926	968	1,140	1,187
Acquisition Related Cost	US$ Mn	-	-	22	-	22	21	0	-
Re-Branding Expenditure	US$ Mn	-	-	-	-	-	-	-	76
EBITDA after Re-Branding / Acquisition Related Cost	US$ Mn	2,841	2,977	3,714	875	904	947	1,140	1,112
Cash profit from operations before Derivative & Exchange Fluctuations	US$ Mn	2,763	2,983	3,595	848	877	904	1,011	979
Cash profit from operations after Derivative & Exchange Fluctuations	US$ Mn	2,783	2,749	3,710	880	912	857	1,066	945
Profit / (Loss) before Tax	US$ Mn	1,912	1,827	2,328	543	541	445	496	346
Net income	US$ Mn	1,674	1,662	1,989	470	453	361	370	291
Capex	US$ Mn	3,460	2,751	2,136	421	411	394	736	964
Operating Free Cash Flow (EBITDA - Capex)	US$ Mn	(619)	226	1,577	454	493	553	404	147
Net Debt	US$ Mn	1,051	1,367	530	1,023	530	12,925	13,389	13,378
Shareholder's Equity	US$ Mn	5,423	5,966	9,347	8,075	9,347	9,336	10,289	10,440
Key Ratios									
Underlying EBITDA Margin [3]	%	42.1%	41.0%	40.3%	39.6%	38.9%	36.9%	33.7%	33.8%
Net Profit Margin	%	24.8%	22.9%	21.5%	21.3%	19.0%	13.7%	10.9%	8.3%
Net Debt to Funded Equity Ratio	Times	0.19	0.23	0.06	0.13	0.06	1.38	1.30	1.28
Return on Shareholder's Equity	%	38.0%	32.5%	29.0%	27.6%	25.1%	21.3%	18.5%	15.4%
Return on Capital employed	%	31.7%	30.4%	24.4%	23.7%	21.6%	18.4%	13.9%	11.2%

1. *Exchange rates used for Rupee conversion to US$ is (a) Rs. 40.02 for the financial year ended March 31, 2008 (b) Rs.50.95 for the financial year ended March 31, 2009 (c) Rs. 46.68 for the quarter ended December 31, 2009 (d) Rs. 45.14 for the quarter ended March 31, 2010, (e) Rs. 46.60 for the quarter ended June 30, 2010, (f) Rs. 44.92 for the quarter ended September 30, 2010, (g) Rs. 44.81 for the quarter ended December 31, 2010 being the RBI Reference rate as announced by The Reserve Bank of India at the end of the respective periods.*
2. *Total employees include proportionate consolidation of 42% of Indus Towers Employees.*
3. *Underlying EBITDA Margin is computed before acquisition related costs, of Rs. 976 mn for the quarter ended March 31, 2010 and full year ended March 31, 2010, and of Rs. 982 mn for the quarter ended June 30, 2010 and before re-branding related cost of Rs. 3,395 mn for the quarter ended December 31, 2010.*
4. *All the above numbers have been translated at the quarter end rates based convenience, although the actual reported results of Africa & Africa Others in the subsequent schedules are in their functional currency i.e. US$.*

Section 2

AN OVERVIEW

2.1 Introduction

We are one of world's leading providers of telecommunication services with presence in all the 22 licensed jurisdictions (also known as Telecom Circles) in India, and operations in Srilanka, Bangladesh and Africa. We served an aggregate of 207.8 million customers as of December 31, 2010.

We are the largest wireless service provider in India, based on the number of customers as of December 31, 2010. We offer an integrated suite of telecom solutions to our enterprise customers, in addition to providing long distance connectivity both nationally and internationally. We also offer Digital TV and IPTV Services. All these services are rendered under a unified brand "airtel". The company also deploys, owns and manages passive infrastructure pertaining to telecom operations under its subsidiary Bharti Infratel Limited. Bharti Infratel owns 42% of Indus Towers Limited. Bharti Infratel and Indus Towers are amongst top providers of passive infrastructure services in India.

2.2 Business Divisions

2.2.1 India & South Asia

Mobile Services (India & South Asia) - We offer mobile services using GSM technology in India, Sri Lanka and Bangladesh, serving over 157 million customers across these geographies. We have the largest customer base in India in the wireless segment. We have 152.5 million mobile customers in India as on December 31, 2010 with a Customer Market Share (CMS) of 20.3% as on December 31, 2010. We offer post-paid, pre-paid, roaming, internet and other value added services through our extensive sales and distribution network covering 1.53 million outlets. Our network is at present in 5,104 census towns and 450,293 non-census towns and villages in India, thus covering approximately 85.8% of the country's population.

Our national long distance infrastructure comprises of 139,541 Rkms of optical fibre, providing us a pan India reach.

Airtel Sri Lanka has 1.8 million mobile customers, with presence in all 25 administrative districts of Sri Lanka. We have launched 3.5G services in major towns and have created a nation wide distribution network comprising over 25,000 retailers.

Airtel Bangladesh has 3.2 million mobile customers and offers mobile services across 64 districts of Bangladesh with a distribution network of over 59,665 retailers across the country. The burgeoning economy of Bangladesh coupled with low teledensity and a youth-strong population presents a unique market opportunity for telecom services.

Telemedia Services – We provide broadband (DSL), data and telephone services (fixed line) in 87 cities with growing focus on the various data solutions for the Small & Medium Business (SMB) segment. We have 3.3 million customers of which 43.1% were subscribing to broadband / internet services, as on December 31, 2010. Our product offerings in this segment include fixed-line telephones providing local, national and international long distance voice connectivity and broadband Internet access through DSL. We also offer IPTV services in Bangalore and NCR region.

We remain strongly committed to our focus on the SMB segment by providing a range of customized Telecom/ IT solutions and aim to achieve revenue leadership in this rapidly growing segment of the ICT market. The strategy of our Telemedia Services business unit is to focus on cities with high revenue potential.

Enterprise Services - Enterprise Services is India's leading provider of communications services to large Enterprise and Carrier customers. We deliver end to end telecom solutions to India's large corporates by serving as the single point of contact for all telecommunication needs by providing a full suite of communication services across data, voice, network integration, and managed services. We are regarded as the trusted communications partner to India's leading organizations, helping them to meet the challenges of growth.

We own a state of the art national and international long distance network infrastructure, enabling us to provide connectivity services both within India and connecting India to the world.

Our international infrastructure includes ownership of the i2i submarine cable system connecting Chennai to Singapore, consortium ownership of the SMW4 submarine cable system connecting Chennai and Mumbai to Singapore and Europe, and our investments in new cable systems such as Asia America Gateway (AAG), India Middle East and Western Europe (IMEWE), Unity North, EIG (Europe India Gateway) and East Africa Submarine System (EASSy) will expand our global network to over 225,000 Rkms, covering 50 countries across 5 Continents. We also have terrestrial express connectivity to neighboring countries including Nepal, Pakistan, Bhutan and China.

Digital TV Services – Airtel digital TV has over 4.9 million customers and continues to add 1 out of every 4 new customers joining the Direct-To-Home (DTH) platform. We also offer Airtel Digital TV recorder and High Definition (HD) set top boxes delivering superior customer experience. We are the first company in India that provides real integration of all the three screens viz. TV, Mobile and Computers enabling our customers' record their favorite TV programs through mobile and web. We continue to expand the distribution, going beyond 9,000 towns and deep into rural India.

Passive Infrastructure Services – Bharti Infratel provides passive infrastructure services on a non-discriminatory basis to all telecom operators in India. Bharti Infratel deploys, owns and manages passive infrastructure in 11 circles of India. Infratel also holds 42% share in Indus Towers (a Joint Venture between Bharti Infratel, Vodafone and Idea Cellular). Indus operates in 15 circles (4 circles common with Infratel, 11 circles on exclusive basis).

Bharti Infratel has 32,424 towers in 11 circles, excluding the 35,254 towers in 11 circles for which the right of use has been assigned to Indus with effect from January 1, 2009. Indus Towers has a portfolio of 107,789 towers including the towers under right of use.

2.2.2 Africa

Mobile Services (Africa) - Airtel Africa has over 42.1 million customers, across the 16 countries that we operate in. In the last quarter, we have successfully completed the Brand change-over from Zain to "airtel".

In pursuit of Vision - by 2015 Airtel will be the "Most Loved Brand in the daily lives of African people" - Airtel has continued to execute on being customer focused. Owing to the various smart propositions that we have launched during the quarter, the customers have rewarded us by growing their minutes of usage per customer by 7%. This has more than made up for the 7% fall in the rate per minute and is a vindication of Airtel's strategy of driving affordability, availability and accessibility. As a result, our ARPU has been sustained in Q3.

In line with our Brand strategy, we have also made bold moves in owning key segments. Music and Youth are two key levers in Africa. The Airtel Anthem (One 8) has been recommended by Billboard (World's premier music publication) as one of the "Best Bets for 2011". As a result of this strategy, we have seen the non voice revenue's share grow from 7.1% to 7.9% in the quarter.

Africa Others – It comprises of investment holding companies for Africa mobile operations.

2.3 Partners

Strategic Equity Partners - We have a strategic alliance with SingTel, which has enabled us to further enhance and expand our telecommunications networks in India to provide quality service to our customers. The investment made by SingTel in Bharti is one of their largest investments made in the world outside Singapore.

Equipment and Technology Partners - We have forged long term strategic partnerships in all areas including equipment and technology, building upon the unique outsourcing business models we have pioneered. Our business models have enabled us partner with global leaders who share our drive for co-creating innovative and tailor made solutions for the markets we operate in.

On the GSM / Wireless equipment side, we have partnered with Ericsson, Nokia Siemens Networks (NSN) and Huawei for our Networks in India, Sri Lanka and Bangladesh. We have entered into Supply & Services Contracts for 3G Mobile Services in India with Ericsson, NSN & Huawei. These partners will plan, design, deploy and maintain a state of the art 3G mobile network in Bharti Airtel 3G license circles. We also entered into a strategic contract with Ericsson & Huawei for 2G/2.5G Network expansion in Bangladesh which includes network design, planning, equipment supply, implementation, and project management.

Besides 3G Radio access network with strategic partners, we have also partnered with Alcatel Lucent, Huawei, ECI, Tejas Networks and Cisco for Fiber/ Carrier ethernet based 3G backhaul products supply and deployment during this quarter.

Alcatel Lucent (ALU) is our Managed Services Wire-line Access Network Managed Services partner through a JV Company. They are also responsible for deployment of Fibre/ Copper and service provisioning. However we are free to choose the Electronic Equipment, Switches and Routers from any other competent suppliers and we do purchase equipment from world leaders like Cisco, Juniper, ECI, Tellabs and others in addition to the strategic partners mentioned above.

IBM is our strategic partner for all business and enterprise IT systems. Our path breaking contract with IBM caters to, among other things, technology evolution, scale, tariff changes and subscriber growth. During the quarter, we have entered into Global IT Outsourcing contract with IBM covering India, Bangladesh, Sri Lanka and African Regions thereby taking its relationship at Global level. Under this contract, IBM will provide and run all Telecom related IT Systems, Software and Services to support business requirements. It will help Bharti Airtel to derive economics of Scale benefits, scope enhancements and parity, similar customer services and experience across regions.

IBM is also our technology partner for Digital Media Exchange, which would enable Airtel's presence in Digital Cinema, Digital Signage arena with a host of other Media & Entertainment related services.

IBM Daksh, Mphasis, Firstsource, Teleperformance, Aegis and HTMT are our call centre partners and provide an excellent customer experience through dedicated contact center operations. Our existing Call center technology partners are Avaya, Wipro and Cisco.

We work with globally renowned organizations such as Comviva , OnMobile, Yahoo, Google and Cellebrum among others to provide each of our customers with a unique experience in VAS like CRBT (caller ring back tone), Music on Demand, Email services and other Airtel Live applications. We also have an alliance with RIM for selling Blackberry enterprise services and Blackberry internet services.

SECTION 3

FINANCIAL HIGHLIGHTS

This section presents the (1) audited financial results for the third quarter and nine months ended December 31, 2009, and (2) audited financial results for the third quarter and nine months ended December 31, 2010 as per International Financial Reporting Standards (IFRS).

Detailed financial statements, analysis and other related information is attached to this report as Annexure (page 30 – 32). Also, kindly refer to Section 7 - use of Non - GAAP financial information (page 26) and Glossary (page 44) for detailed definitions.

3.1 Consolidated - Summary of Consolidated Financial Statements

3.1.1 Consolidated Summarized Statement of Operations (net of inter segment eliminations)

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues	**157,560**	**103,053**	**53%**	**432,018**	**310,981**	**39%**
EBITDA before Re-Branding / Acquisition Related Cost	**53,211**	**40,823**	**30%**	**149,545**	**126,804**	**18%**
Acquisition Related Cost	-	-		982	-	
Re-Branding Expenditure	3,395	-		3,395	-	
EBITDA after Re-Branding / Acquisition Related Cost	49,816	40,823	22%	145,168	126,804	14%
Cash profit from operations before Derivative and Exchange Fluctuation	43,854	39,566	11%	131,356	122,713	7%
Cash profit from operations after Derivative and Exchange Fluctuation	42,346	41,088	3%	130,181	126,270	3%
Profit / (Loss) before Tax	15,495	25,336	-39%	58,481	80,679	-28%
Current tax expense	5,817	5,459	7%	18,251	17,372	5%
Profit / (Loss) after current tax expense	9,678	19,877	-51%	40,230	63,307	-36%
Deferred tax expense / (income)	(2,451)	(2,479)	-1%	(5,457)	(7,334)	-26%
Net income	13,033	21,949	-41%	46,461	69,324	-33%
Capex	43,210	19,648	120%	94,618	77,867	22%
Operating Free Cash Flow (EBITDA - Capex)	6,606	21,175	-69%	50,550	48,937	3%
EBITDA / Total revenues (before Re-Branding / Acquisition Related Cost)	*33.8%*	*39.6%*		*34.6%*	*40.8%*	
EBITDA / Total revenues (after Re-Branding / Acquisition Related Cost)	*31.6%*	*39.6%*		*33.6%*	*40.8%*	

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs mn

Particulars	As at Dec 31, 2010
Assets	
Non-current assets	1,329,653
Current assets	119,893
Total assets	**1,449,546**
Non-current liabilities	592,286
Current liabilities	360,097
Total liabilities	**952,383**
Equity & Minority Interest	
Equity	467,838
Minority Interest	29,325
Total Equity & Minority Interest	**497,163**
Total Equity and liabilities	**1,449,546**

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 2010				Quarter Ended Dec 2009				Nine Months Ended Dec 2010				Nine Months Ended Dec 2009			
	India & SA	Africa	Africa Others	Total	India & SA	Africa	Africa Others	Total	India & SA	Africa	Africa Others	Total	India & SA	Africa	Africa Others	Total
Total revenues	**117,213**	**40,530**	**-**	**157,560**	**103,053**			**103,053**	**343,250**	**89,019**	**-**	**432,018**	**310,981**			**310,981**
EBITDA before Re-Branding / Acquisition Related Cost	**43,746**	**10,173**	**(711)**	**53,211**	**40,823**			**40,823**	**128,468**	**22,119**	**(1,046)**	**149,545**	**126,804**			**126,804**
Acquisition Related Cost	-	-	-	-	-			-	76	-	906	982	-			-
Re-Branding Expenditure	1,657	1,738	-	3,395	-			-	1,657	1,738	-	3,395	-			-
EBITDA after Re-Branding / Acquisition Related Cost	42,089	8,435	(711)	49,816	40,823			40,823	126,735	20,381	(1,952)	145,168	126,804			126,804
Cash profit from operations before Derivative and Exchange Fluctuation	40,472	6,470	(3,091)	43,854	39,566			39,566	122,884	15,817	(7,349)	131,356	122,713			122,713
Cash profit from operations after Derivative and Exchange Fluctuation	40,578	4,853	(3,088)	42,346	41,088			41,088	123,288	14,237	(7,348)	130,181	126,270			126,270
Profit / (Loss) before Tax	21,771	(3,190)	(3,088)	15,495	25,336			25,336	69,249	(3,423)	(7,348)	58,481	80,679			80,679
Current tax expense	4,989	828	-	5,817	5,459			5,459	15,876	2,375	-	18,251	17,372			17,372
Profit / (Loss) after current tax expense	16,782	(4,018)	(3,088)	9,678	19,877			19,877	53,373	(5,798)	(7,348)	40,230	63,307			63,307
Deferred tax expense / (income)	(1,844)	(607)	-	(2,451)	(2,479)			(2,479)	(5,242)	(215)	-	(5,457)	(7,334)			(7,334)
Net income	18,282	(2,163)	(3,088)	13,033	21,949			21,949	57,729	(3,923)	(7,348)	46,461	69,324			69,324
EBITDA / Total revenues (before Re-Branding / Acquisition Related Cost)	*37.3%*	*25.1%*		*33.8%*	*39.6%*			*39.6%*	*37.4%*	*24.8%*		*34.6%*	*40.8%*			*40.8%*
EBITDA / Total revenues (after Re-Branding / Acquisition Related Cost)	*35.9%*	*20.8%*		*31.6%*	*39.6%*			*39.6%*	*36.9%*	*22.9%*		*33.6%*	*40.8%*			*40.8%*
Capex	29,252	13,958	-	43,210	19,648			19,648	75,959	18,658	-	94,618	77,867			77,867
Operating Free Cash Flow (EBITDA - Capex)	12,837	(5,523)	(711)	6,606	21,175			21,175	50,776	1,723	(1,952)	50,550	48,937			48,937

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs mn

Particulars	As at Dec 31, 2010				
	India & SA	Africa	Africa Others	Eliminations	Total
Assets					
Non-current assets	771,454	563,190	438,643	(443,634)	1,329,653
Current assets	84,688	36,273	1,232	(2,300)	119,893
Total assets	**856,142**	**599,463**	**439,875**	**(445,934)**	**1,449,546**
Liabilities					
Non-current liabilities	152,486	185,921	387,257	(133,378)	592,286
Current liabilities	201,053	119,699	41,645	(2,300)	360,097
Total liabilities	**353,539**	**305,620**	**428,902**	**(135,678)**	**952,383**
Equity & Minority Interest					
Equity	476,325	290,796	10,973	(310,256)	467,838
Minority Interest	26,278	3,047	-	-	29,325
Total Equity & Minority Interest	**502,603**	**293,843**	**10,973**	**(310,256)**	**497,163**
Total Equity and liabilities	**856,142**	**599,463**	**439,875**	**(445,934)**	**1,449,546**

3.3 Segment wise Summarized Statement of Operations

<u>India & South Asia</u>

3.3.1 Mobile Services (India & South Asia) – comprises of Consolidated Statement of Operations of Mobile Services India & South Asia.

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues	91,459	80,898	13%	267,741	248,101	8%
EBITDA before Re-Branding Cost	31,954	30,400	5%	94,628	97,816	-3%
Re-Branding Expenditure	265	-		265	-	
EBITDA after Re-Branding Cost	31,689	30,400	4%	94,363	97,816	-4%
EBIT	21,472	22,014	-2%	64,860	72,871	-11%
EBITDA / Total revenues (before Re-Branding Cost)	34.9%	37.6%		35.3%	39.4%	
EBITDA / Total revenues (after Re-Branding Cost)	34.6%	37.6%		35.2%	39.4%	
Operating Free Cash Flow (EBITDA - Capex)	14,812	21,309	-30%	54,825	64,902	-16%

3.3.2 Telemedia Services – comprises of Operations of Telemedia Services.

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues	9,068	8,549	6%	27,146	25,643	6%
EBITDA	4,045	3,933	3%	12,183	11,045	10%
EBIT	2,030	2,081	-2%	6,185	5,756	7%
EBITDA / Total revenues	44.6%	46.0%		44.9%	43.1%	
Operating Free Cash Flow (EBITDA - Capex)	2,082	2,188	-5%	6,467	3,776	71%

3.3.3 Enterprise Services – comprises of Operations of Enterprise Services

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues	10,503	11,048	-5%	31,113	34,030	-9%
EBITDA	2,260	3,274	-31%	7,328	9,357	-22%
EBIT	1,178	2,457	-52%	4,105	7,003	-41%
EBITDA / Total revenues	21.5%	29.6%		23.6%	27.5%	
Operating Free Cash Flow (EBITDA - Capex)	1,433	1,730	-17%	4,266	6,412	-33%

3.3.4 Passive Infrastructure Services – represents Bharti Infratel Ltd and proportionate consolidation of 42% Indus Towers.

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues	21,972	18,407	19%	63,545	51,393	24%
EBITDA	8,486	6,267	35%	23,584	17,299	36%
EBIT	3,558	2,049	74%	9,016	4,914	83%
EBITDA / Total revenues	38.6%	34.0%		37.1%	33.7%	
Operating Free Cash Flow (EBITDA - Capex)	2,820	1,123	151%	6,705	(4,202)	260%

3.3.5 Others – comprises of Digital TV operations, Corporate Offices and new projects in India & South Asia.

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues	2,793	1,414	98%	7,002	3,731	88%
EBITDA before Re-Branding / Acquisition Related Cost	(2,341)	(2,574)	9%	(7,338)	(7,250)	-1%
Acquisition Related Cost	-	-		76	-	
Re-Branding Expenditure	1,392	-		1,392	-	
EBITDA after Re-Branding / Acquisition Related Cost	(3,733)	(2,574)	-45%	(8,806)	(7,250)	-21%
Depreciation and Others	1,241	942	32%	2,609	1,896	38%
EBIT	(4,974)	(3,516)	-41%	(11,415)	(9,146)	-25%
Operating Free Cash Flow (EBITDA - Capex)	(7,652)	(4,698)	-63%	(19,570)	(20,488)	4%

Africa

3.3.6 Mobile Services (Africa) – comprises of 16 country operations in Africa.

Amount in US$ mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues	911			1,954		
EBITDA before Re-Branding Cost	228			486		
Re-Branding Expenditure	38			38		
EBITDA after Re-Branding Cost	190			447		
EBIT	9			60		
EBITDA / Total revenues (before Re-Branding Cost)	25.1%			24.8%		
EBITDA / Total revenues (after Re-Branding Cost)	20.8%			22.9%		
Operating Free Cash Flow (EBITDA - Capex)	(117)			39		

Note 5: Wherever Africa and Africa Others financials are reported in the quarterly report, the same are published in their functional currency i.e. US$.

3.3.7 Africa Others – comprises of holding investments in Mobile Africa operations.

Amount in US$ mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-10	Dec-09	Y-on-Y Growth	Dec-10	Dec-09	Y-on-Y Growth
Total revenues						
EBITDA before Acquisition Related Cost	(16)			(23)		
Acquisition Related Cost				20		
EBITDA after Acquisition Related Cost	(16)			(43)		
EBIT	(16)			(43)		
Operating Free Cash Flow (EBITDA - Capex)	(16)			(43)		

3.4 Region wise & Segment wise Investment & Contribution

3.4.1 India and South Asia

Amount in Rs mn, except ratios

Segment	Quarter Ended Dec 2010						As at Dec 31, 2010	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Investment in Projects	% of Total
Mobile Services[6]	91,459	78%	31,689	75%	16,877	58%	590,298	59%
Telemedia Services	9,068	8%	4,045	10%	1,963	7%	117,029	12%
Enterprise Services	10,503	9%	2,260	5%	827	3%	41,312	4%
Passive Infrastructure Services	21,972	19%	8,486	20%	5,666	19%	216,615	22%
Others	2,793	2%	(3,733)	-9%	3,919	13%	31,540	3%
Sub Total	**135,795**	**116%**	**42,747**	**102%**	**29,251**	**100%**	**996,792**	**100%**
Eliminations	(18,582)	-16%	(658)	-2%	0	0%		
Accumulated Depreciation and Amortization							(269,547)	
Total	**117,213**	**100%**	**42,089**	**100%**	**29,252**	**100%**	**727,245**	

Note 6: Investment in projects includes National optic fibre network.

Amount in Rs mn, except ratios

Segment	Nine Months Ended Dec 2010						As at Dec 31, 2010	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Investment in	% of Total
Mobile Services[7]	267,741	78%	94,363	74%	39,538	52%	590,298	59%
Telemedia Services	27,146	8%	12,183	10%	5,716	8%	117,029	12%
Enterprise Services	31,113	9%	7,328	6%	3,062	4%	41,312	4%
Passive Infrastructure Services	63,545	19%	23,584	19%	16,879	22%	216,615	22%
Others	7,002	2%	(8,807)	-7%	10,764	14%	31,540	3%
Sub Total	**396,547**	**116%**	**128,651**	**102%**	**75,959**	**100%**	**996,792**	**100%**
Eliminations	(53,297)	-16%	(1,916)	-2%	0	0%		
Accumulated Depreciation and Amortization							(269,547)	
Total	**343,250**	**100%**	**126,735**	**100%**	**75,959**	**100%**	**727,245**	

Note 7: Investment in projects includes National optic fibre network.

3.4.2 Africa & Africa others

Amount in US$ mn, except ratios

Segment	Quarter Ended Dec 2010			Nine Months Ended Dec 2010			As at Dec 31, 2010
	Revenue	EDITDA	Capex	Revenue	EBITDA	Capex	Investment in Projects
Africa	911	190	306	1,954	447	408	12,399
Africa Others		(16)			(43)		
Sub Total	**911**	**174**	**306**	**1,954**	**404**	**408**	**12,399**
Accumulated Depreciation and Amortization							(374)
Total	**911**	**174**	**306**	**1,954**	**404**	**408**	**12,024**

SECTION 4

OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, ARPM, Non Voice revenue, Gross revenue per employee per month are based on IFRS.

4.1 Customers and Non Voice % - Consolidated

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Mobile Services	**000's**	**199,610**	**187,708**	**6%**	**120,231**	**66%**
India & South Asia	000's	157,485	147,626	7%	120,231	31%
Africa	000's	42,124	40,082	5%	-	
Telemedia Services	000's	3,257	3,216	1%	2,989	9%
Digital TV Services	000's	4,932	3,899	27%	2,044	141%
Total	**000's**	**207,799**	**194,823**	**7%**	**125,263**	**66%**
Non Voice Revenue as a % of Total Revenues	%	14.7%	14.2%		15.5%	

4.2 Traffic Details – Consolidated

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Mobile Services	**Mn Min**	**219,922**	**208,978**	**5%**	**153,675**	**43%**
India & South Asia	Mn Min	205,018	196,196	4%	153,675	33%
Africa	Mn Min	14,904	12,782	17%		
Telemedia Services	Mn Min	4,598	4,791	-4%	4,576	0%
National Long Distance Services	Mn Min	18,063	17,689	2%	13,944	30%
International Long Distance Services	Mn Min	3,192	3,034	5%	3,100	3%
Total Minutes on Network (Gross)	**Mn Min**	**245,776**	**234,492**	**5%**	**175,295**	**40%**
Eliminations	Mn Min	(18,514)	(18,119)	2%	(14,331)	29%
Total Minutes on Network (Net)	**Mn Min**	**227,262**	**216,373**	**5%**	**160,964**	**41%**

4.3 Mobile Services India

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Customer Base[8]						
All India Wireless Customers	000's	752,449	687,710	9%	525,148	43%
Wireless Customers on Airtel's Networks	000's	152,495	143,292	6%	118,864	28%
Net Additions						
All India Wireless Customers	000's	64,738	52,205	24%	53,422	21%
Wireless Customers on Airtel's Networks	000's	9,203	6,672	38%	8,353	10%
Market Share						
Airtel's Wireless Market Share	%	20.3%	20.8%		22.6%	
Airtel's Market Share of Net Additions	%	14.2%	12.8%		15.6%	
Pre-Paid Subscribers						
As a % of total Customer Base	%	96.2%	96.1%		95.3%	
Other Operating Information						
Average Revenue Per User (ARPU)	Rs	198	202	-2%	230	-14%
Average Revenue Per User (ARPU)	US$	4.4	4.5	-1%	4.9	-10%
Average Rate Per Minute (ARPM)	Paisa	44.2	44.4	-1%	51.7	-15%
Average Minutes of Use Per User	Min	449	454	-1%	446	1%
Monthly Churn	%	7.8%	5.9%		6.3%	
Non Voice Revenue						
Non Voice Revenue as a % of mobile revenues	%	13.8%	12.7%		11.0%	

Note 8: All India voice subscribers for the month of October 2010 and November 2010 are as per report published by TRAI. Due to the non publication of TRAI report for December 2010 as on date, all India mobile subscribers net addition for December 2010 are as reported by COAI and AUSPI.

4.4 Telemedia Services

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Telemedia Customers	000's	3,257	3,216	1%	2,989	9%
Net additions	000's	41	63	-35%	60	-32%
Average Revenue Per User (ARPU)	Rs	934	954	-2%	964	-3%
Average Revenue Per User (ARPU)	US$	20.8	21.2	-2%	20.6	1%

4.5 Network and Coverage - India

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,104	5,101	3	5,078	26
Non-Census Towns and Villages	Nos	450,293	445,893	4,400	433,851	16,442
Population Coverage	%	85.8%	85.1%		83.6%	
Optic Fibre Network	R Kms	139,541	134,026	5,516	118,337	21,205
Network Sites	Nos	113,587	110,038	3549	102,190	11,397
Telemedia Services						
Cities covered	Nos	87	88	(1)	95	(8)
Submarine Cables Systems	Nos	6	5	1	3	3

4.6 Passive Infrastructure Services

4.6.1 Bharti Infratel Consolidated

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Total Towers[9]	Nos	77,695	76,535	1,160	72,938	4,757
Total Tenancies[9]	Nos	137,209	132,917	4,292	119,775	17,434
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	33,524	33,898	-1%	32,650	3%
Sharing Factor	Times	1.75	1.73		1.61	

Note 9: Total Towers and Tenancies includes proportionate consolidation of 42% of Indus Towers.

4.6.2 Bharti Infratel Standalone

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Total Towers[10]	Nos	32,424	31,831	593	29,806	2,618
Total Tenancies	Nos	55,253	52,776	2,477	47,361	7,892
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	37,859	38,041	0%	38,107	-1%
Sharing Factor	Times	1.68	1.65		1.57	

Note 10: Total Towers are excluding 35,254 towers in 11 circles for which the right of use has been assigned to Indus with effect from 1st Jan 2009.

4.6.3 Indus Towers

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Total Towers	Nos	107,789	106,438	1,351	102,696	5,093
Total Tenancies	Nos	195,133	190,811	4,322	172,415	22,718
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	30,847	31,389	-2%	28,333	9%
Sharing Factor	Times	1.80	1.78		1.66	

Note 11: Indus KPIs are on 100% basis.

4.7 Human Resource Analysis – India

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Consolidated						
Total Employees[12]	Nos	17,152	17,387	(235)	18,404	(1,252)
Number of Customers per employee	Nos	9,368	8,651	8%	6,732	39%
Personnel cost per employee per month	Rs	100,103	101,050	-1%	86,251	16%
Gross Revenue per employee per month	Rs	2,243,594	2,141,585	5%	1,861,816	21%

Note 12: Total Employees include proportionate consolidation of 42% IndusTowers employees.

4.8 Mobile Services - Africa

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Customer Base						
Total Wireless Customers	000's	NA	NA			
Wireless Customers on Airtel's Networks	000's	42,124	40,082	5%		
Net Additions						
Total Wireless Customers	000's	NA	NA			
Wireless Customers on Airtel's Networks	000's	2,043	3,720	-45%		
Market Share						
Airtel's Wireless Market Share	%	NA	NA			
Airtel's Market Share of Net Additions	%	NA	NA			
Pre-Paid Subscribers						
As a % of total Customer Base	%	99.3%	99.3%			
Other Operating Information						
Average Revenue Per User (ARPU)	US$	7.3	7.4	0%		
Average Rate Per Minute (ARPM)	US¢	6.1	6.6	-7%		
Average Minutes of Use Per User	Min	120	112	7%		
Monthly Churn	%	5.9%	5.8%			
Non Voice Revenue						
Non Voice Revenue as a % of mobile revenues	%	7.9%	7.1%			

4.9 Traffic Details - Africa

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Mobile Services	Mn Min	14,904	12,782	17%		
International Long Distance Services	Mn Min	-	0			
Total Minutes on Network (Gross)	Mn Min	14,904	12,782	17%		
Eliminations	Mn Min	-	-			
Total Minutes on Network (Net)	Mn Min	14,904	12,782	17%		

4.10 Network & Coverage - Africa

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Mobile Servies						
Towns & Villages	Nos	NA	NA			
Population Coverage	%	NA	NA			
Network Sites	Nos	11,338	10,998	340		

4.11 Human Resource Analysis - Africa

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-on-Q Growth	Dec 31, 2009	Y-on-Y Growth
Total Employees	Nos	6,434	6,371	63		
Number of Customers per employee	Nos	6,547	6,291	256		
Personnel cost per employee per month	US$	4,625	4,128	12%		
Gross Revenue per employee per month	US$	47,195	45,316	4%		

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India and South Asia

A. Key Industry Developments

1. Mobile Number Portability (MNP):

- MNP has been successfully launched in Haryana on Nov, 25, 2010.
- Pan India MNP service is available since Jan 20, 2011. The migration for the same is in progress

2. DoT Mandate for measurement of EMF from Base station Antenna.

- DoT made a license amendment regarding implementation of the ICNIRP guidelines, and mandated compliance in the form of self certification. Subsequently, TEC laid down the procedure for self certification and measurement of the EMF radiations as per the Indian context.

- Again in April 08, 2010, DoT instructed all service providers to submit self-certification for all BTSs with the respective Telecom Enforcement Resource and Monitoring (TERM) Cells by May 15, 2010 and also laid down a penalty of Rs 5 lakhs per non compliant site per operator. Moreover, DoT mandated that all new BTS sites should start radiating only after the self-certificate has been submitted to relevant TERM Cells.

- Later on, the date of submission of the self certificate for existing BTSs was extended to Nov 15, 2010. DoT also mandated that TERM cell will check 10% of the new sites i.e. sites rolled out post May 2010).

- Present Status:

  - Operators are submitting compliance with actual calculated/tested values along with photographs, layout plan etc. for all the sites deployed before /after 8th May, 2010. However, Industry has sought time till 15th May, 2011 for submission of compliance to the sites rolled out prior to May 08, 2010.
  - DoT in its recent letter dated 10 December 2010 notified that instead of 10% of new sites, now it intends to test 10% of total sites and further that in case of upgradation a fresh certification would have to be submitted by the operators within 2 weeks.
  - In light of the recent direction from DoT, Industry association has made the following request to DoT:

    a. Review its directive dated 10 December 2010 and if both new as well as existing sites are to be tested, then the percentage sample may be reviewed downwards so that no additional burden is placed on the operators.

    b. Consider waiving the testing fee of Rs. 10,000 per site as the tools and resources for testing are being provided by the operators themselves or alternatively we request that the fee may be reduced to say Rs. 5000 per site which may be divided amongst the number of tenant operators sharing the site.

    c. Communicate to TERM cells that signage's are required only on sites/areas where EMF limits are above the prescribed norms.

3. Subscriber Re-verification

- DoT has issued clarification that the imposition of penalty on non compliant subscriber verification cases identified during audit, shall continue to be carried out by TERM Cells. Service provider can make the representation on disputed cases which shall be examined by the DDG TERM and decided in two weeks time.

- Revised Subscriber Verification Guidelines – DoT has circulated a new set of consolidated draft guidelines for subscriber verification, which is expected to supersede all previous guidelines. In this regard, Industry has submitted its comments basis discussion with all Operators. Final guidelines are awaited from DoT.

- DoT has issued instructions regarding subscriber verification and applicability of special instructions given for prepaid services in J&K, Assam and North East Service area. Further DoT issued clarification that reverification of all the prepaid subscribers to be completed by 20 January 2011 post which no recharge will be allowed for unverified subscribers. DoT has also clarified that list of all valid documents for Proof of Identity (POI) and Proof of Address (POA) will be restrictive as specified in letter issued for J&K. Industry has raised its concern stating that we have already done reverification of majority of the subscribers in these service areas and there is no rational of doing the verification again with revised process as it will cause lots of customer pain and disconnection in addition to the double cost involved. It has also been requested to DoT for inclusion of few NESA specific documents (Gram Panchayat Certificate issued by Gram Panchayat Head or its equivalent authority and Caste & Domicile Certificate issued by Govt of Assam) in the list of POI and POA with immediate effect as these are majorly available proof of identity and address hence will help larger masses to use these documents for getting mobile connections in these service areas.

4. TRAI revised Regulation on UCC

- On Dec 01, 2010, TRAI released "The Telecom Commercial Communications Customer Preference Regulations, 2010". This Regulation covers both Commercial calls as well as SMSs. It will be effective from 1st March, 2011.
- The Key Highlights are as follows:

  - The Do Not Call Registry as defined in the previous regulation continues however, subscribers have been given option to choose the 'partially blocked' category, in which case he will receive SMSs in the categories chosen by him.
  - In this regard , regulations provides seven categories i.e. (i) Banking/ Insurance/ Financial products/ credit cards, (ii) Real Estate; (iii) Education; (iv) Health; (v) Consumer goods and automobiles;(vi) Communication/ Broadcasting/ Entertainment/IT; (vi) Tourism and Leisure. Retail tariff to continue under

forbearance with mandatory provisioning on ala carte basis.

- Customer registration will be effective within 7 days of registration unlike in the past when it used to be 45 days. HD and niche channel out of tariff regulation.
- All telemarketers now have the facility of registering Online with TRAI. Telemarketers currently registered with DOT should re-register.
- The two-stage screening has now been designed where in addition to the scrubbing to be done by the telemarketer, originating service provider also has to filter the data.
- The defaulting telemarketers will be liable to pay penalty of Rs. 25,000/- 1st offence Rs. 75,000/- 2nd offence, Rs 80,000/- 3rd offence; Rs.1,20,000/- 4th offence; Rs. 1,50,000/- 5th offence; and Rs.2,50,000/- 6th offence.
- In addition to the above, the telemarketer will be blacklisted on commission of the 6th offence. The telecom resources of the blacklisted telemarketer will be disconnected by all the service providers and will not be restored for a period of two years.
- The service provider's are required to take appropriate action on the customer complaints regarding UCC and inform the customer of the action taken within seven days.
- Regulations provide that no service provider shall provide packages containing more than 100 SMS per day.
- In the event the unregistered ordinary subscriber makes more than 100 SMS per day, he will be warned on the first offence and his telephone disconnected on commission of the second offence.
- The transactional messages such as banks/insurance companies or telecom service provider's etc. giving information relating to their customers' accounts are exempted from the above regulation.
- A separate numbering series 140XXXXXXX will be allocated for telemarketers, so that all telemarketing calls can be easily identified.
- No commercial communication, even for unregistered customers, shall be sent between 9.00 PM to 9.00 AM.
- In case the access provider violates the said regulation they are liable to pay an amount of Rs. 1 lakh on 1st violation, Rs. 5 lakh on 2nd violation and Rs. 10 lakh in case of 3rd or each subsequent such violation.
- Customer currently on the NDNC register will continue to be registered under the 'fully blocked' category and need no re-registration.

5. TRAI Recommendations on National Broadband Plan

- TRAI released its Recommendations on National Broadband plan on Dec 08, 2010.

- The Key highlights are as below:

  - Definition of Broadband (Both Wireline and wireless) to be effective from 1st Jan 2011:

    "A data connection using any technology that is able to support interactive services including Internet access and support a minimum download speed of 512 Kilo bits per second (Kbps)".

  - The stipulated download speed of 2 Mbps will be effective from 1st January 2015.
  - An open access OFC network connecting population of 500 and above will be established in two 2 phases. The first phase covering all cities, urban areas and Gram Panchayats by the year 2012. Phase II will see the extension of the network to all the habitations having a population more than 500, by the year 2013.
  - Broadband target in National Broadband Policy may be fixed as under:
    a. 75.0 Million broadband connections (17 million DSL, 30 Million cable and 28 million wireless broadband) by the end of year 2012.
    b. 160 Million Broadband connections (22 million DSL, 78 million cable and 60 million wireless broadband) by 2014.
  - Government to fix and notify the charges for Right of Way (RoW) in consultation with the State Governments on priority basis and ensure time bound availability of RoW to telecom service providers after due intimation to the agency concern.
  - Customer premises equipment including modem and routers used for Internet and broadband may be considered for 100% depreciation in the first year.
  - A National Optical Fibre Agency (NOFA) will be set up to establish this broadband network.
    a. NOFA is proposed to be a 100% Central Government-owned holding company.
    b. NOFA to establish the networks in all the 63 cities covered under Jawahar Lal Nehru Urban Renewal Mission (JNURM).
  - A State Optical Fiber Agency (SOFA) would be formed.
    a. In every State with 51% equity held by NOFA, 49% by the respective State Government.
    b. NOFA would be the holding company of all the SOFAs.
    c. SOFAs, under the overall guidance of NOFA will establish the networks and backhaul in the rural areas.
  - This OFC network will be established at a cost of about Rs 60,000 crore. It will be financed by USO fund and the loan given/ guaranteed by Central Government.
  - TRAI would, from time to time, fix the rates at which NOFA (in urban areas) and SOFAs would lease infrastructure to the service providers.

6. TRAI Consultation Papers

- TRAI has issued the following Consultation Papers:

  - Certain Issues relating to Telecom Tariffs.
  - Quality of Service requirements for delivery of basic financial services using mobile phones.
  - Issues relating to blocking of IMEI for lost /stolen mobile handsets.
  - Revenue Sharing Arrangement for Intelligent Network Services.
  - Setting floor price for settlement in India of International Long distance minutes.

B. Key Company Developments

- Bharti Airtel unveiled a new brand identity across 19 countries of its operations in Asia and Africa

- Bharti Airtel crossed the significant milestone of 200 million customers during the quarter ended December 2010

- Bharti Airtel announced the appointment of Ericsson and Huawei as its Network Partners across Bangladesh to deploy state-of-the-art network infrastructure

- Airtel announced that it will launch 3G services and roll out state-of-the-art networks for 3G services in 13 telecom circles in India post successfully bidding for 3G spectrum - including key metros such as Delhi, Mumbai, Bengaluru, Chennai and Hyderabad.

- Airtel won Voice & Data award for driving Growth in Mobile Services in India at V&D 9th CEO Conclave 2010.

- Bharti Airtel released the findings of Airtel Mobitude 2010 - an annual survey that maps onto mobile phone usage trends of Airtel mobile customers across the country. Based on a detailed analysis of data capturing all downloaded content by Airtel mobile users in 2010, this survey highlighted India's preferences and favorites across various categories.

- Bharti Airtel launched its mobile services in Bangladesh in November under the "airtel" brand.

- Airtel digital TV in association with UTV India games made multi screen gaming a reality with Tees Maar Khan! The first ever movie based game exclusively available for Airtel digital TV customers, enables them to enjoy the game on Airtel digital TV, mobile or broadband (PC).

- Bharti Airtel launched an eLearning website 'LearnNext' for its broadband users. A complete computer based interactive CBSE study module for students studying in Class VI to X, LearnNext is affordably priced @Rs. 99 for a Monthly Pack or a Quarterly Pack for Rs.199.

- Bharti Airtel launched its IPTV services in Bangalore, the 2nd city to get Airtel IPTV services after Delhi-NCR. With the extension of Triple Play services to Bangalore, Airtel would enable its IPTV customers, the opportunity of simultaneously enjoying voice, broadband and television (IPTV) all on a single line.

- Bharti Airtel announced the launch of IMEWE submarine cable system. The cable stretches from India to Western Europe via Middle East. The 13000 kilometers long three pair fiber optic cable network is represented by a consortium of 9 telecom operators along with Bharti Airtel.

- Bharti Airtel in association with China Telecom launched direct underground terrestrial link between India and China. 40 Gbps terrestrial link is built on highly resilient ring infrastructure and will offer robust network and seamless connectivity to customers transiting India or China to reach global key destinations. With this network, Bharti Airtel has established - the third International gateway for customers in India. Terrestrial network will offer alternate and shortest route between India and China alongside existing Subsea routes.

5.2 Africa

Key Industry Developments

Ghana

- **Mobile Number Portability (MNP)**
  The National Communications Authority has mandated Mobile Number Portability (MNP). Commercial launch is slated for 1st July 2011. The National Communication Authority and stakeholders have selected PortingXS as the vendor for provision and management of centralized database solution for implementation of Mobile Number Portability (MNP) in Ghana.

Nigeria

- **Mobile Number Portability (MNP)**
  The Hon'ble Minister of Information and Communication has affirmed the Government's commitment to implement Mobile Number Portability (MNP). The Executive Vice Chairman of the Nigerian Communication Commission (NCC) has stated that Mobile Number Portability (MNP) would be implemented after SIM Registrations.

- **Subscribers Identification**
  At the public inquiry on the draft regulations held on 9 December 2010, the NCC consented to effecting key suggestions from Airtel including allowing:
  - Operators to retain collected customer information (except the biometric information) to support customer relationship management.
  - Registration by proxy.

  The final regulation is expected soon.

Malawi

- **International Gateways and Taxation on International Incoming Calls**
  The Malawi Communications Regulatory Authority (MACRA) in conjunction with Agilis International Company is in the process of setting up a Monitoring System and has requested operators to submit sample data in order to implement the process.
  All operators are refusing to submit the data on the grounds of confidentiality and security issues.

DRC

- **3G licences**
  The Government announced that the process of 3G auctions would begin in August 2010, but the formal process is yet to be initiated.

Gabon

- **3G licences**
  Negotiations are ongoing with the Government for the 3G Licences. The main issue concerns the licence acquisition fee.

Madagascar

- **3G licences**
  The process of auction for 3G Licences is delayed due to the prevailing political situation.

- **International Gateways and Taxation on International Incoming Calls**
  The Government has indicated its intention to set up an exclusive international gateway. A meeting between the 3 operators was held to initiate a common stand.

Chad

- **Subscribers Identification**
  The regulator decided that the subscriber's identification (KYC) should be completed by January 31st, 2011. 80% of subscribers have already been identified.

Zambia

- **Mobile Number Portability (MNP)**
  The regulator will soon issue a concept paper on mobile number portability to Operators for review and comment. The Government has issued a directive and made commitment to potential buyers of Zamtel (incumbent) in a bid to market Zamtel.

Sierra Leone

- **3G licences**
  "airtel" has received draft 3G license terms and conditions from the Regulator. The revised document was sent back to the regulator and Airtel is awaiting feedback. The key issues relate to fees and license terms. There are also very stringent coverage conditions and fines in the event of non-compliance.

Kenya

- **Mobile Number Portability (MNP)**
  The initial deadline for implementation of Mobile number portability set for 31st December 2010 could not be met by the operators hence the regulator has set a new deadline of 31st March 2011.

Tanzania

- **Subscribers Identification**
  The Subscribers identification process is currently ongoing in the country despite there being some challenges. For instance, the process is time-consuming and costly and the disconnection of subscribers who have not registered could translate into loss of revenues for the company.

5.3 Results of Operations

The company has reported its (1) audited financial results for the quarter ended December 31, 2009; (2) audited financial results for the quarter ended December 31, 2010. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

Key Highlights - *For the quarter ended December 31, 2010*

- **Net addition of 13.0 million customers.**
- **Total Revenues of Rs 157.6 billion (up 53% Y-o-Y).**
- **EBITDA before re-branding cost Rs 53.2 billion (up 30% Y-o-Y).**
- **EBITDA after re-branding cost Rs 49.8 billion (up 22% Y-o-Y).**
- **Cash profit from operations of Rs 42.3 billion (up 3% Y-o-Y).**
- **Net Income of Rs 13.0 billion (down 41% Y-o-Y).**

Bharti Airtel Consolidated

Quarter ended December 31, 2010

Customer Base

As on December 31, 2010, the company had an aggregate of 207.8 mn customers consisting of 199.6 mn Mobile, 3.3 mn Telemedia and 4.9 mn Digital TV customers. Its total customer base as on December 31, 2010 increased by 65.9% compared to the customer base as on December 31, 2009.

Revenues/Turnover

During the quarter ended December 31, 2010, the company recorded revenues of Rs 157,560 mn, a growth of 52.9% compared to the quarter ended December 31, 2009. Non-voice revenue contributed to approximately 14.7% of the total revenues for the quarter.

Operating Expenses (ex-revenue share license and spectrum fee) During the quarter ended December 31, 2010; the company incurred an operating expenditure of Rs 73,911 mn representing 47% of the total revenues. The operating expense comprises:

- Rs 32,896 mn towards network operations costs (20.9% of total revenues)
- Rs 927 mn towards cost of goods sold (0.6% of total revenues)
- Rs 8,833 mn towards employee costs, (5.6% of total revenues) and
- Rs 31,255 mn towards selling general and administrative costs (19.8% of total revenues, including Rs 3,395 mn of re-branding costs).

EBITDA, Finance Cost and Cash Profit from Operations

During the quarter ended December 31, 2010, the company had an EBITDA of Rs. 49,816 mn; growth of 22% compared to the quarter ended December 31, 2009. The reported EBITDA margin for the quarter was 31.6%. The underlying EBITDA margin (excluding re-branding related costs) for the quarter was 33.8%.

During the quarter ended December 31, 2010, the Company had re-launched its brand “airtel” in existing geographies of India and Sri Lanka and simultaneously launched the brand in recently acquired operations of Africa and Bangladesh. As the Company is expanding globally, this new brand identity gives an opportunity to present a single, powerful and unified face to the customers, stakeholders and partners of the Company around the world. A one time expenditure of Rs. 3,395 million has been incurred during the current quarter for the brand re-launch and launch.

The net finance cost for the quarter ended December 31, 2010 was Rs 7,470 mn. The interest on borrowings during the quarter was Rs 4,994 mn, the finance charges during the quarter was Rs 1,282 mn, the investment income (primarily related to income on marketable securities) was Rs 313 mn and expense of Rs 1,507 mn was effect of exchange fluctuation and derivative accounting.

The cash profit from operations after derivative and exchange fluctuations for the quarter was Rs 42,346 mn, an increase of 3% as compared to the quarter ended December 31, 2009. During the quarter ended December 31, 2010, the company had depreciation and amortization expenses of Rs 27,107 mn.

Profit / (Loss) Before Tax (PBT)

The Profit / (Loss) before tax for the quarter was Rs 15,495 mn, a decrease of 39%, as compared to the quarter ended December 31, 2009. The current tax for the quarter ended December 31, 2010 was Rs 5,817 mn and deferred tax expense / (income) was Rs (2,451) mn.

Net income

The net income for the quarter ended December 31, 2010 was Rs 13,033 mn with a Y-o-Y decline of 41%.

Statement of Financial Position

As on December 31, 2010, the company had total assets of Rs 1,449,546 mn, and total liabilities of Rs 952,383 mn respectively. The difference of Rs 497,163 mn was on account of Equity attributable to equity holders of parent and non-controlling interest.

The company had a net debt of Rs 599,463 mn (US$ 13,378 mn) as on December 31, 2010, resulting in a Net Debt to EBITDA (LTM) of 2.88.

Capital Expenditure

During the quarter ended December 31, 2010, the company incurred capital expenditure of Rs 43,210 mn.

Human Resources

As on December 31, 2010, the company had a total of 24,501 employees.

Mobile Services – India & South Asia

Customer Base, Churn, ARPU and MoU - India

As at the end of the quarter the company had 152.5 mn GSM mobile customers on its network, which accounted for a market share of 20.3% of the all India mobile market.

During the quarter, Bharti’s share of net additions was 14.2% of all India wireless subscriber net additions.

Despite a CMS of 20.3% for quarter ended December 31, 2010, the Revenue Market Share (RMS) of Mobile Services in India is reported at 30.6% for quarter ended September 30, 2010 (Based on last reported TRAI data).

The average monthly churn for the quarter ended December 31, 2010 was 7.8%

During the quarter blended ARPU was Rs 198 (US$ 4.4) per month as compared to Rs 202 (US$ 4.5) per month in the quarter ended September 30, 2010. The blended monthly usage per customer, during the quarter was at 449 minutes. The Average rate per minute during the quarter was 44.2 paisa. Non voice revenue, which includes Voice Mail Service, Call Management, Airtel Talkies and other value added services like Hello Tunes, Music on Demand and Airtel Live contributed to approximately 13.8% of the total revenues of the segment.

Revenues, EBITDA and EBIT

The revenues for the quarter ended December 31, 2010 for mobile services stood at Rs 91,459 mn, a growth of 13.1% over the corresponding quarter last year. The revenue from this segment contributed to 78% of the total revenues of South East Asia. The EBITDA during the quarter ended December 31, 2010 was Rs 31,689 mn representing a growth of 4.2% over the quarter ended December 31, 2009. The EBITDA margin for the quarter ended December 31, 2010 was 34.6%. The underlying EBITDA margin (excluding re-branding related costs) for the quarter was 34.9%. The EBIT for the quarter ended December 31, 2010 was Rs 21,472 mn as compared to Rs 22,014 mn for the quarter ended December 31, 2009, a decline of 2.5%.

Capital Expenditure

During the quarter ended December 31, 2010, the company incurred a capital expenditure of Rs 16,877 mn on its Mobile Services.

<u>Telemedia Services</u>

Customer Base and ARPU

At the end of the quarter ended December 31, 2010, the company had its Telemedia operations in 87 cities. During the quarter, the company added 41,055 customers on its Telemedia networks with 3.3 mn customers as on December 31, 2010. The company had approximately 1.40 mn customers (43.1%) of the total customer base subscribing to broadband (DSL) services.

The ARPU for the quarter was Rs 934 (US$ 20.8) per month.

Revenues, EBITDA and EBIT

For the quarter ended December 31, 2010, the revenues from Telemedia operations of Rs 9,068 mn, represented a growth of 6.1% over the corresponding quarter last year. The EBITDA for the quarter was Rs 4,045 mn compared to Rs 3,933 mn in the corresponding prior year quarter, an increase of 2.8%. The EBITDA margin for this segment was 44.6% for the quarter ended December 31, 2010. The EBIT for the quarter ended December 31, 2010 was Rs 2,030 mn.

Capital Expenditure

During the quarter ended December 31, 2010, the company incurred a capital expenditure of Rs 1,963 mn on its Telemedia Services.

<u>Enterprise Services</u>

Revenues, EBITDA and EBIT

The revenues for the quarter ended December 31, 2010 for Enterprise services stood at Rs 10,503 mn, a decline of -4.9% over the corresponding quarter last year. The revenue from this segment contributed to 9% of the total revenues of South East Asia. The EBITDA during the quarter ended December 31, 2010 was Rs 2,260 mn, a decline of 31.0% over the corresponding quarter last year. The EBITDA margin for the quarter ended December 31, 2010 was 21.5%. The EBIT for the quarter ended December 31, 2010 was Rs. 1,178 mn as compared to Rs 2,457 mn for the quarter ended December 31, 2009, a decline of 52.1%.

Capital Expenditure

During the quarter ended December 31, 2010, the company incurred a capital expenditure of Rs 827 mn on its Enterprise Services.

<u>Passive Infrastructure Services</u>

Revenues, EBITDA and EBIT

For the quarter ended December 31, 2010, the revenues from its Passive Infrastructure Services were Rs 21,972 mn. The EBITDA for the quarter ended December 31, 2010 was Rs 8,486 mn. The EBITDA margin for the quarter ended December 31, 2010 was 38.6%. The EBIT for the quarter ended December 31, 2010 was Rs 3,558 mn.

Capital Expenditure

During the quarter ended December 31, 2010, the company incurred a capital expenditure of Rs 5,666 mn on its Passive Infrastructure Services.

Towers and Sharing Operators – Infratel

As at the end of the quarter, the company had 32,424 towers. Sharing factor for the quarter ended December 31, 2010 was 1.68 times.

Towers and Sharing Operators – Indus Towers

As at the end of the quarter, the company had 107,789 towers. Sharing factor for the quarter ended December 31, 2010 was 1.80 times.

<u>Mobile Services - Africa</u>

During this quarter, the African market has shown a healthy elasticity in usage. Africa had a growth of 7% in minutes of usage per customer. This helped in offsetting the drop in ARPM and consequently enabled to maintain the ARPU at the same levels as was last quarter.

Customer Base, ARPU and MoU

As at the end of the quarter the company had 42.1 mn GSM mobile customers on its network. During the quarter, the company added 2.0 Mn customers. The ARPU for the quarter was US$ 7.3 per month. The blended monthly usage per customer, during the quarter was at 120 minutes.

Revenues, EBITDA and EBIT

During the quarter, the revenue for Africa's Operation's was US$ 911 mn and EBITDA was US$ 190 mn (EBITDA margin 20.8%). The underlying EBITDA margin (excluding re-branding related costs) for the quarter was 25.1%. The EBIT for the quarter ended December 31, 2010 was US$ 9 mn.

Capital Expenditure

During the quarter ended December 31, 2010, the company incurred a capital expenditure of US $ 306 million on its African Operation.

SECTION 6

STOCK MARKET HIGHLIGHTS

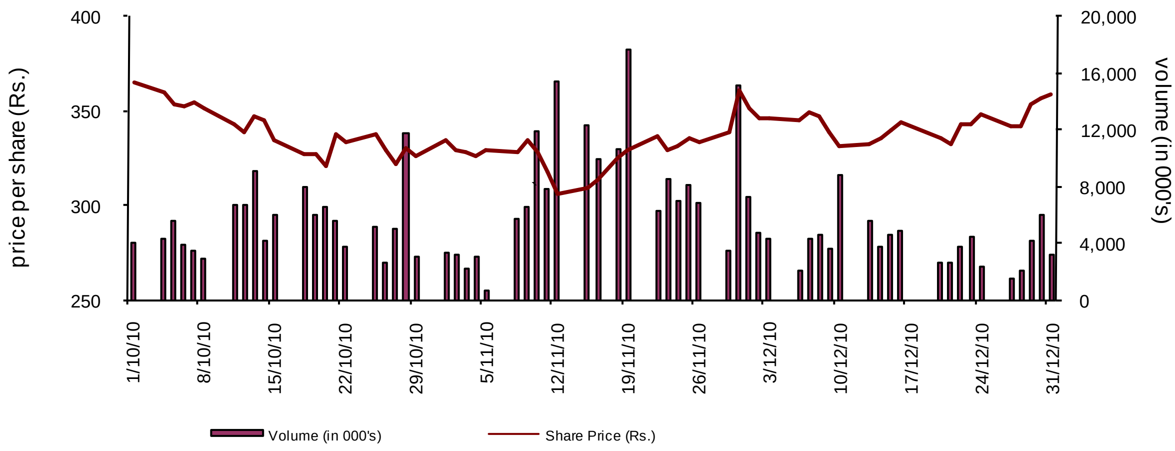
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (31/12/10)	Mn Nos	3,797.53
Closing Market Price - BSE (31/12/10)	Rs /Share	358.40
Combined Volume (NSE & BSE) (01/10/10-31/12/10)	Nos in Mn/day	0.59
Combined Value (NSE & BSE) (01/10/10-31/12/10)	Rs bn /day	0.20
Market Capitalization	Rs bn	1,361
Market Capitalization	US$ bn	30.37
Book Value Per Equity Share	Rs /share	123.19
Market Price/Book Value	Times	2.91
Net Debt to EBITDA (LTM)	Times	2.88
Enterprise Value	Rs bn	1,960
Enterprise Value	US$ bn	43.75
Enterprise Value/ Annualised Q3 Revenue	Times	3.11
Enterprise Value/ Annualised Q3 EBITDA	Times	9.84

6.2 Summarized Shareholding pattern as of December 31, 2010

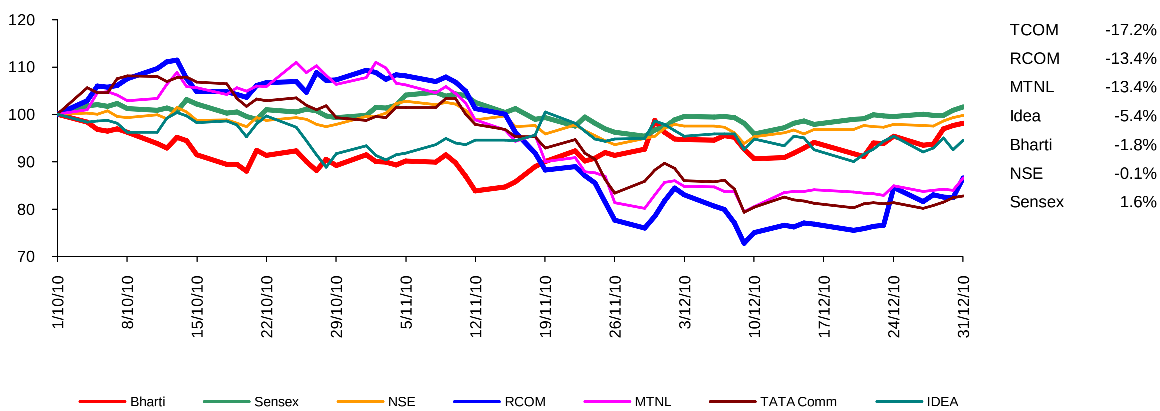
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,726,970,056	45.48%
Foreign	862,843,286	22.72%
Sub total	**2,589,813,342**	**68.20%**
Public Shareholding		
Institutions	987,956,308	26.02%
Non-institutions	219,760,446	5.79%
Sub total	**1,207,716,754**	**31.80%**
Total	**3,797,530,096**	**100.00%**

6.3 Bharti Airtel Daily Stock price (BSE) and Volume (Combined of BSE & NSE) Movement



Source: Bloomberg

6.4 Comparison of Domestic Telecom stock movement with Sensex and Nifty



Source: Bloomberg

SECTION 7

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 27
Earnings before Interest and Taxation (EBIT)	Profit / (Loss) from Operating Activities	Page 27
Cash Profit from Operations after Derivative and Exchange Fluctuations	Profit / (Loss) from Operating Activities	Page 27
Profit / (Loss) after current tax expenses	Profit / (Loss) before taxation	Page 27
Minority Interest	Non - Controlling Interest	NA
Capex	NA	NA
Operating Free Cash flow	NA	NA

7.1 Reconciliation of Non-GAAP financial information based on IFRS

Consolidated

Amount in Rs mn

Particulars	Quarter Ended Dec 2010	Nine Months Ended Dec 2010
Profit / (Loss) from Operating Activities To EBITDA		
Profit / (Loss) from Operating Activities	**22,709**	**72,804**
Add: Depreciation and Amortization	27,107	72,364
EBITDA after Re-Branding / Acquisition cost	**49,816**	**145,168**
Add: Acquisition Cost	0	982
Add: Re-Branding	3,395	3,395
EBITDA before Re-Branding / Acquisition cost	**53,211**	**149,545**
Profit / (Loss) from Operating Activities to Cash Profit from Operations after Derivative & Exchange Fluctuation		
Profit / (Loss) from Operating Activities	**22,709**	**72,804**
Add: Depreciation and Amortization	27,107	72,364
Add: Finance income	386	3,363
Less: Finance expense	7,856	18,350
Cash Profit from Operations	**42,346**	**130,181**
Profit / (Loss) from Operating Activities to EBIT		
Profit / (Loss) from Operating Activities	**22,709**	**72,804**
Less: Non operating expenses	2	238
Add: Other income	258	958
EBIT	**22,965**	**73,524**
Profit / (Loss) before tax to Profit / (Loss) after Current tax expense		
Profit / (Loss) before tax	15,495	58,481
Less: Current tax expense	5,817	18,251
Profit / (Loss) after current tax expense	**9,678**	**40,230**

7.2 Schedules to Financial Statements

7.2.1 India & South Asia

7.2.1.1 Schedule of Operating Expenses

Amount in Rs mn

Particulars	Quarter Ended Dec 31, 2010	Nine Months Ended Dec 31, 2010
Access charges	12,912	38,059
Licence fees, revenue share & spectrum charges	11,904	35,171
Network operations costs	26,328	77,738
Cost of goods sold	251	693
Employee costs	4,902	14,713
Selling, general and adminstration expense	18,827	50,141
Operating Expenses	**75,124**	**216,515**

7.2.1.2 Schedule of Depreciation & Amortisation

Amount in Rs mn

Particulars	Quarter Ended Dec 31, 2010	Nine Months Ended Dec 31, 2010
Fixed Assets	18,204	52,376
Licence Fees	208	619
Intangibles	651	1,790
Depreciation and Amortization	**19,063**	**54,785**

7.2.1.3 Schedule of Net Debt

Amount in Rs mn

Particulars	As at Dec 31, 2010
Long term debt, net of current portion	118,272
Short-term borrowings and current portion of long-term debt	34,696
Less:	
Cash and Cash Equivalents	6,989
Restricted Cash, non-current	408
Short term investments	6,740
Net Debt	**138,831**

7.2.1.4 Schedule of Finance Cost

Amount in Rs mn

Particulars	Quarter Ended Dec 31, 2010	Nine Months Ended Dec 31, 2010
Interest on borrowings	1,457	4,283
Finance Charges	417	901
Investment Income	(254)	(1,331)
Derivatives and exchange fluctuation	(106)	(404)
Finance cost (net)	**1,514**	**3,449**

Note 13: Inter segment borrowing cost / income eliminated within respective segments

7.2.1.5 Schedule of Income Tax

Amount in Rs mn

Particulars	Quarter Ended Dec 31, 2010	Nine Months Ended Dec 31, 2010
Current tax expense	4,989	15,876
Deferred tax expense / (income)	(1,844)	(5,242)
Income tax expense	**3,145**	**10,634**

7.2.2 Africa & Africa Others

7.2.2.1 Schedule of Operating Expenses

Amount in US$ mn

Particulars	Quarter Ended Dec 31, 2010		Nine Months Ended Dec 31, 2010	
	Africa	Africa Others	Africa	Africa Others
Access charges	167		338	
Licence fees, revenue share & spectrum	36		78	
Network operations costs	148		324	
Cost of goods sold	16		41	
Employee costs	89	6	191	11
Selling, general and adminstration expense	266	10	535	31
Operating Expenses	**721**	**16**	**1,507**	**43**

7.2.2.2 Schedule of Depreciation & Amortisation

Amount in US$ mn

Particulars	Quarter Ended Dec 31, 2010		Nine Months Ended Dec 31, 2010	
	Africa	Africa Others	Africa	Africa Others
Fixed Assets	102		213	
Licence Fees	50		107	
Intangibles	29		66	
Depreciation and Amortization	**181**	**0**	**386**	**0**

7.2.2.3 Schedule of Net Debt

Amount in US$ mn

Particulars	As at Dec 31, 2010	
	Africa	Africa Others
Long term debt, net of current portion	1,091	8,542
Short-term borrowings and current portion of long-term debt	741	151
Less:		
Cash and Cash Equivalents	174	20
Restricted Cash, non-current	22	0
Net Debt	**1,636**	**8,674**

7.2.2.4 Schedule of Finance Cost

Amount in US$ mn

Particulars	Quarter Ended Dec 31, 2010		Nine Months Ended Dec 31, 2010	
	Africa	Africa Others	Africa	Africa Others
Interest on borrowings	38	43	85	98
Finance Charges	7	11	16	21
Investment Income	(1)	(0)	(2)	(0)
Derivatives and exchange fluctuation	36	(0)	35	(0)
Finance cost (net)	**80**	**54**	**135**	**119**

Note 14: Inter segment borrowing cost / income eliminated within respective segments

7.2.2.5 Schedule of Income Tax

Amount in US$ mn

Particulars	Quarter Ended Dec 31, 2010		Nine Months Ended Dec 31, 2010	
	Africa	Africa Others	Africa	Africa Others
Current tax expense	19	0	52	0
Deferred tax expense / (income)	(13)	0	(5)	0
Income tax expense	**6**	**0**	**47**	**0**

ANNEXURE – DETAILED FINANCIAL AND RELATED INFORMATION

A.1 Financial Statements as per International Financial Reporting Standards (IFRS)

A.1.1 Consolidated Statement of Operations (as per IFRS)

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec 2010	Dec 2009	Y-on-Y Growth	Dec 2010	Dec 2009	Y-on-Y Growth
Revenue	157,560	103,053	53%	432,018	310,981	39%
Operating expenses	(107,744)	(62,230)	73%	(286,850)	(184,177)	56%
Depreciation & amortisation	(27,107)	(15,881)	71%	(72,364)	(45,879)	58%
Profit / (Loss) from operating activities	**22,709**	**24,942**	**-9%**	**72,804**	**80,925**	**-10%**
Share of results of associates	0	(10)		(56)	(16)	
Other income	258	182	42%	958	483	98%
Non operating expense	(2)	(44)	-95%	(238)	(179)	33%
Profit / (Loss) before interest and tax	**22,965**	**25,070**	**-8%**	**73,468**	**81,213**	**-10%**
Finance income	386	4,465	-91%	3,363	12,389	-73%
Finance costs	(7,856)	(4,199)	87%	(18,350)	(12,923)	42%
Profit / (Loss) before tax	**15,495**	**25,336**	**-39%**	**58,481**	**80,679**	**-28%**
Income tax income/(expense)	(3,366)	(2,980)	13%	(12,794)	(10,038)	27%
Net income / (loss) for the period	**12,129**	**22,356**	**-46%**	**45,687**	**70,641**	**-35%**
Other comprehensive income / (loss)						
Exchange differences on translation of foreign operations	(3,425)	(422)		6,211	(432)	
Other comprehensive income / (loss) for the period, net of tax	**(3,425)**	**(422)**		**6,211**	**(432)**	
Total comprehensive income / (loss) for the period, net of tax	**8,704**	**21,934**	**-60%**	**51,898**	**70,209**	**-26%**
Income Attributable to :						
Equity holders of the parent	13,033	21,949	-41%	46,461	69,324	-33%
Non controlling interests	(904)	407	-322%	(774)	1,317	-159%
Net Income / (Loss)	**12,129**	**22,356**	**-46%**	**45,687**	**70,641**	**-35%**
Total comprehensive income / (loss) attributable to :						
Equity holders of the parent	9,699	21,527	-55%	53,052	68,892	-23%
Non controlling interests	(995)	407		(1,154)	1,317	
Comprehensive Income / (Loss)	**8,704**	**21,934**	**-60%**	**51,898**	**70,209**	**-26%**
Earning Per Share						
Basic, profit attributable to equity holders of parent (In Rs)	3.43	5.79		12.24	18.28	
Diluted, profit attributable to equity holders of parent (In Rs)	3.43	5.79		12.24	18.27	

A.1.2 Consolidated Statement of Financial Position (as per IFRS)

Amount in Rs mn

Particulars	As at December 31, 2010
Assets	
Non-current assets	
Property, plant and equipment	632,907
Intangible assets	634,224
Investment in associates	-
Derivative financial assets	2,052
Other financial assets	7,445
Other non - financial assets	11,604
Deferred tax asset	41,421
	1,329,653
Current assets	
Inventories	2,005
Trade and other receivable	50,516
Derivative financial assets	2,747
Prepayments and other assets	39,468
Income tax recoverable	2,773
Short term investments	6,740
Cash and cash equivalents	15,644
	119,893
Total assets	**1,449,546**
Equity and liabilities	
Equity	
Issued capital	18,988
Treasury shares	(100)
Advances against equity	-
Share premium	56,499
Retained earnings / (deficit)	343,950
Foreign currency translation reserve	7,415
Other components of equity	41,086
Equity attributable to equity holders of parent	**467,838**
Non-controlling interest	29,325
Total equity	**497,163**
Non-current liabilities	
Borrowing	549,947
Deferred revenue	8,068
Provisions	5,912
Derivative financial liabilities	107
Deferred tax liability	9,554
Other financial liabilities	13,186
Other non - financial liabilities	5,512
	592,286
Current liabilities	
Borrowing	72,309
Deferred revenue	31,522
Provisions	1,346
Derivative financial liabilities	226
Income tax liabilities	1,500
Trade & other payables	253,194
	360,097
Total liabilities	**952,383**
Total equity and liabilities	**1,449,546**

A.1.3 Consolidated Statement of Cash Flows (as per IFRS)

Amount in Rs mn

Particulars	Quarter Ended	Nine Months Ended
	December 31, 2010	December 31, 2010
Cash flows from operating activities		
Profit before taxation	**15,495**	**58,481**
Adjustments for -		
Depreciation and amortization	27,107	72,364
Finance income	(386)	(3,363)
Finance cost	7,856	18,350
Share of results of associated companies (post tax)	(1)	56
Amortization of Deferred Stock based compensation	398	1,245
Other non-cash items	76	336
Operating cash flow before working capital changes	**50,545**	**147,470**
Trade receivables and prepayments	(7,073)	(12,047)
Inventories	34	(77)
Trade and other payables	5,170	15,847
Change in provision	9	(102)
Other Liabilities	2,668	3,801
Other Assets	(2,359)	(4,086)
Interest Received	78	494
Income Tax (Paid)/Refund	(6,834)	(18,315)
Net cash inflow / (outflow) from operating activities	**42,238**	**132,984**
Cash flows from investing activities		
Proceeds/(Purchase) of property, plant and equipment	(25,720)	(73,128)
Purchase of intangible assets	(1,200)	(159,839)
Short term investments (Net)	12,729	46,692
Acquisitions	225	(372,451)
Net cash inflow / (outflow) from investing activities	**(13,966)**	**(558,726)**
Cash flows from financing activities		
Proceeds from issuance of term borrowings	76,275	569,837
Repayment of borrowings	(96,970)	(130,440)
Advance against equity	(0)	(0)
Purchase of Treasury stock	(122)	(205)
Interest paid	(5,717)	(14,910)
Proceeds from exercise of stock options	48	84
Dividend paid	(0)	(4,428)
Acquisition of non-controlling interest	(5,773)	(5,773)
Net cash inflow / (outflow) from financing activities	**(32,259)**	**414,165**
Net (decrease) / increase in cash and cash equivalents during the period	**(3,987)**	**(11,577)**
Add : Balance as at the Beginning of the period	17,371	24,961
Balance as at the end of the period	**13,384**	**13,384**

Note 15: Cash and Cash Equivalents is excluding bank overdraft

A.2 Trend and Ratio Analysis

The financial figures used in the quarterly trends are based on IFRS financial statements

A.2.1 Based on Statement of Operations

Consolidated

Amount in Rs mn

Parameters	For the Quarter Ended				
	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
Total Revenues	157,560	152,150	122,308	107,491	103,053
Access and interconnection charges	20,273	18,839	14,227	11,570	11,166
Operating Expenses (Excl Access Charges & License Fee)	73,911	69,046	51,841	44,498	41,132
Licence Fee	13,561	13,052	12,100	10,594	9,932
EBITDA	49,816	51,212	44,140	40,829	40,823
Cash profit from operations after Derivative and Exchange Fluctuations	42,346	47,893	39,942	41,185	41,088
Profit / (Loss) before tax	15,495	22,267	20,719	24,411	25,336
Net income	13,033	16,612	16,816	20,443	21,949

	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
As a % of Total Revenues					
Access and interconnection charges	12.9%	12.4%	11.6%	10.8%	10.8%
Operating Expenses (Excl Access Charges & License Fee)	46.9%	45.4%	42.4%	41.4%	39.9%
Licence Fee	8.6%	8.6%	9.9%	9.9%	9.6%
Underlying EBITDA	33.8%	33.7%	36.9%	38.9%	39.6%
Cash profit from operations after Derivative and Exchange Fluctuations	26.9%	31.5%	32.7%	38.3%	39.9%
Profit / (Loss) before tax	9.8%	14.6%	16.9%	22.7%	24.6%
Net income	8.3%	10.9%	13.7%	19.0%	21.3%

India & South Asia

Amount in Rs mn

Parameters	For the Quarter Ended				
	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
Total Revenues	117,213	113,312	112,725	107,491	103,053
Access and interconnection charges	12,912	12,372	12,775	11,570	11,166
Operating Expenses (Excl Access Charges & License Fee)	50,308	47,193	45,784	43,987	41,132
Licence Fee	11,904	11,525	11,742	10,594	9,932
EBITDA	42,089	42,222	42,424	41,340	40,823
Cash profit from operations after Derivative and Exchange Fluctuations	40,578	42,477	40,233	41,696	41,088
Profit / (Loss) before tax	21,771	24,469	23,008	24,922	25,336
Net income	18,282	20,398	19,048	20,954	21,949

	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
As a % of Total Revenues					
Access and interconnection charges	11.0%	10.9%	11.3%	10.8%	10.8%
Operating Expenses (Excl Access Charges & License Fee)	42.9%	41.6%	40.6%	40.9%	39.9%
Licence Fee	10.2%	10.2%	10.4%	9.9%	9.6%
Underlying EBITDA	37.3%	37.3%	37.7%	38.9%	39.6%
Cash profit from operations after Derivative and Exchange Fluctuations	34.6%	37.5%	35.7%	38.8%	39.9%
Profit / (Loss) before tax	18.6%	21.6%	20.4%	23.2%	24.6%
Net income	15.6%	18.0%	16.9%	19.5%	21.3%

Mobile Africa

Amount in US$ mn

Parameters	For the Quarter Ended				
	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
Total Revenues	911	838	205		
Access and interconnection charges	167	140	31		
Operating Expenses (Excl Access Charges & License Fee)	518	464	109		
Licence Fee	36	33	9		
EBITDA	190	201	56		
Cash profit from operations after Derivative and Exchange Fluctuations	110	176	26		
Profit / (Loss) before tax	(71)	12	(16)		
Net income	(48)	(22)	(15)		

	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
As a % of Total Revenues					
Access and interconnection charges	18.3%	16.7%	15.2%		
Operating Expenses (Excl Access Charges & License Fee)	56.9%	55.4%	53.0%		
Licence Fee	3.9%	3.9%	4.4%		
Underlying EBITDA	25.1%	24.0%	27.5%		
Cash profit from operations after Derivative and Exchange Fluctuations	12.1%	21.0%	12.8%		
Profit / (Loss) before tax	-7.8%	1.4%	-7.9%		
Net income	-5.3%	-2.7%	-7.3%		

Africa Others

Amount in US$ mn

Parameters	For the Quarter Ended				
	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
Total Revenues	0	0	0		
Access and interconnection charges	0	0	0		
Operating Expenses (Excl Access Charges & License Fee)	16	7	20		
EBITDA	(16)	(7)	(20)		
Cash profit from operations after Derivative and Exchange Fluctuations	(70)	(59)	(33)		
Profit / (Loss) before tax	(70)	(59)	(33)		
Net income	(70)	(59)	(33)		

A.2.2 Based on Statement of Financial Position

Consolidated

Amount in Rs mn

Parameters	As at				
	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
Equity attributable to equity holders of parent	467,838	462,174	435,037	421,940	376,921
Net Debt	599,463	601,438	602,308	23,920	47,733
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,067,301	1,063,612	1,037,345	445,860	424,654

Parameters	Dec-10	Sep-10	Jun-10	Mar-10	Dec-09
Return on Equity attributable to equity holders of parent (LTM)	15.4%	18.5%	21.3%	25.1%	27.6%
Return on Capital Employed (LTM)	11.2%	13.9%	18.4%	21.6%	23.7%
Net Debt to EBITDA[16] (LTM)	2.88	2.93	2.87	0.14	0.28
Assets Turnover ratio (LTM)	60.9%	66.1%	76.3%	89.0%	94.2%
Interest Coverage ratio (times)	9.97	10.21	17.74	32.08	28.24
Book Value Per Equity Share (in Rs)	123.2	121.7	114.6	111.1	99.3
Net debt to Equity attributable to equity holders of parent (Times)	1.28	1.30	1.38	0.06	0.13
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	3.43	4.38	4.43	5.39	5.79
Net profit/(loss) per diluted share (in Rs)	3.43	4.38	4.43	5.39	5.79
Market Capitalization (Rs. bn)	1,361	1,390	1,000	1,184	1,248
Enterprise Value (Rs. bn)	1,960	1,991	1,602	1,172	1,268

Note 16: EBITDA before Re-Branding / Acquisition cost

A.2.3 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

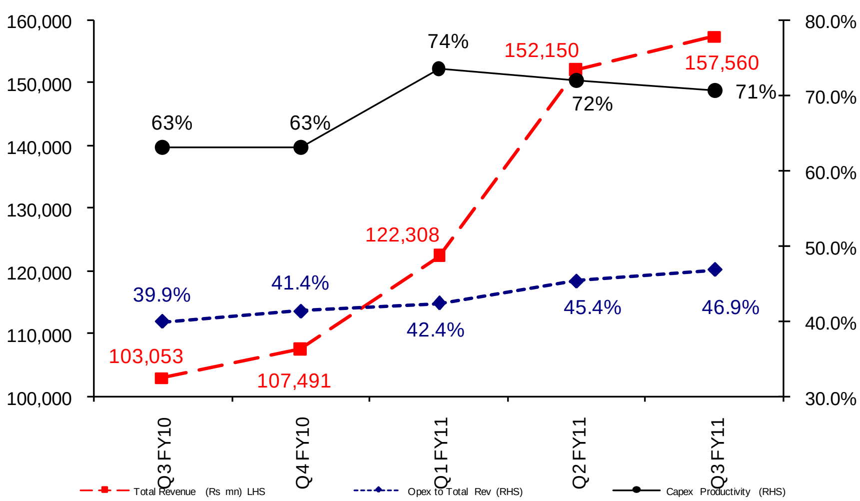
2. Opex Productivity – operating expenses divided by the total revenues for the respective period. Operating expenses is the sum of (i) equipment costs (ii) employee costs (iii) network operations costs & (iv) selling, general and administrative costs. This ratio depicts the operational efficiencies 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.

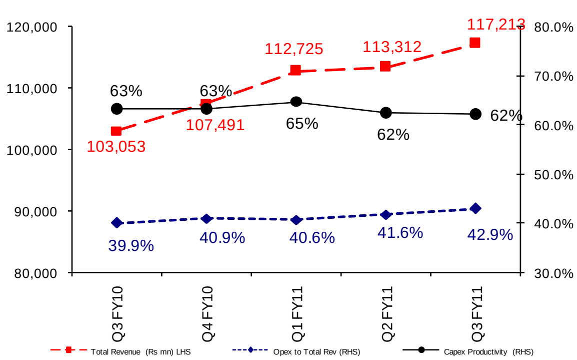
The company believes that as long as the absolute revenues keep increasing periodically, opex productivity stabilizes or keeps coming down and capex productivity keeps improving, the company's overall financial health can be tracked.

Given below are the graphs for the last five quarters of the company:

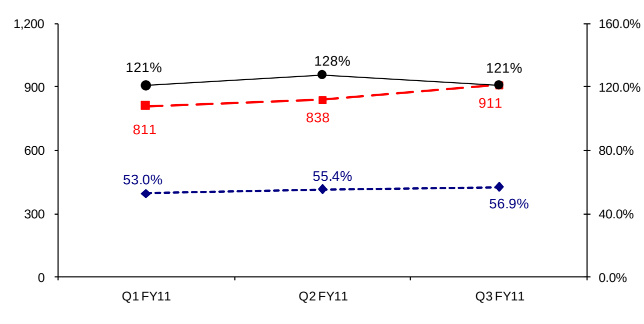
A.2.3.1 Bharti Airtel Consolidated



A.2.3.2 Bharti Airtel - India & South Asia



A.2.3.3 Bharti Airtel - Africa



Note 17: Q1 FY11 revenue has been pro-rated for 91 days.
Note 18: Three Line Graph for Bharti Airtel – Africa depicts Mobile Africa.

A.2.4 Operational Performance - India

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Customers	**000's**	**160,685**	**150,407**	**143,017**	**133,283**	**123,896**
Mobile Services						
Customers	000's	152,495	143,292	136,620	127,619	118,864
Airtel's Wireless Market Share	%	20.3%	20.8%	21.5%	21.8%	22.6%
Net Additions	000's	9,203	6,672	9,001	8,755	8,353
Airtel's Market Share of Net Additions	%	14.2%	12.8%	17.6%	14.8%	15.6%
Prepaid Customers as a % of total customers	%	96.2%	96.1%	96.0%	95.8%	95.3%
Average Revenue Per User (ARPU)	Rs	198	202	215	220	230
Average Revenue Per User (ARPU)	US$	4.4	4.5	4.6	4.9	4.9
Average Rate Per Minute (ARPM)	Paisa	44.2	44.4	44.8	47.0	51.7
Average Minutes of Use Per User	Min	449	454	480	468	446
Monthly Churn	%	7.8%	5.9%	5.8%	5.7%	6.3%
Non Voice Revenue as a % of mobile revenues	%	13.8%	12.7%	11.6%	11.8%	11.0%
Telemedia Services						
Customers	000's	3,257	3,216	3,153	3,067	2,989
Net Additions	Nos	41,055	63,208	86,221	78,313	60,291
Average Revenue Per User (ARPU)	Rs	934	954	961	937	964
Average Revenue Per User (ARPU)	US$	20.8	21.2	20.6	20.8	20.6

A.2.5 Traffic, Coverage and Network Trends - India

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Mobile Services	Mn Min	199,146	190,767	190,396	172,797	153,241
Telemedia Services	Mn Min	4,598	4,791	4,696	4,515	4,576
National Long Distance Services	Mn Min	18,063	17,689	17,333	15,875	13,944
International Long Distance Services	Mn Min	3,192	3,034	3,044	3,173	3,100
Total Minutes on Network (Gross)	**Mn Min**	**225,000**	**216,281**	**215,469**	**196,359**	**174,861**
Eliminations	Mn Min	(18,514)	(18,119)	(17,751)	(16,308)	(14,331)
Total Minutes on Network (Net)	**Mn Min**	**206,486**	**198,162**	**197,718**	**180,052**	**160,529**

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Mobile Servies						
Census Towns	Nos	5,104	5,101	5,092	5,091	5,078
Non-Census Towns & Villages	Nos	450,293	445,893	440,023	438,933	433,851
Population Coverage	%	85.8%	85.1%	84.3%	84.2%	83.6%
Optic Fibre Network	R Kms	139,541	134,026	129,244	126,357	118,337
Network Sites	Nos	113,587	110,038	105,394	104,826	102,190
Telemedia Services						
Cities covered	Nos	87	88	88	89	95
Submarine Cable Systems	Nos	6	5	4	3	3

A.2.6 Passive Infrastructure Services

A.2.6.1 Bharti Infratel Consol

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Total Towers[19]	Nos	77,695	76,535	75,254	73,802	72,938
Total Tenancies[19]	Nos	137,209	132,917	129,248	124,668	119,775
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	33,524	33,898	33,064	32,654	32,650
Sharing Factor	Times	1.75	1.73	1.70	1.66	1.61

Note 19: Total Towers and Tenancies include proportionate consolidation of 42% of Indus Towers.

A.2.6.2 Bharti Infratel Standalone

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Total Towers[20]	Nos	32,424	31,831	31,196	30,568	29,806
Total Tenancies	Nos	55,253	52,776	51,509	50,031	47,361
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	37,859	38,041	36,290	36,878	38,107
Sharing Factor	Times	1.68	1.65	1.65	1.62	1.57

Note 20: Total Towers are excluding 35,254 towers in 11 circles for which the right of use has been assigned to Indus with effect from 1st Jan 2009.

A.2.6.3 Indus Towers

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Total Towers	Nos	107,789	106,438	104,901	102,938	102,696
Total Tenancies	Nos	195,133	190,811	185,093	177,706	172,415
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	30,847	31,389	30,379	29,674	28,333
Sharing Factor	Times	1.80	1.78	1.75	1.71	1.66

Note 21: Indus KPIs are on 100% basis.

A.2.7 Human Resource Analysis - India

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Consolidated						
Total Employees[22]	Nos	17,152	17,387	17,694	17,726	18,404
Number of Customers per employee	Nos	9,368	8,651	8,083	7,519	6,732
Personnel Cost per employee per month	Rs	100,103	101,050	92,152	90,067	86,251
Gross Revenue per employee per month	Rs	2,243,594	2,141,585	2,097,126	2,008,738	1,861,816

Note 22: Total Employee count of India includes proportionate consolidation of 42% of IndusTowers employees.

A.2.8 Operational Performance – Africa

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Customers	**000's**	**42,124**	**40,082**	**36,362**		
Airtel's Wireless Market Share	%	NA	NA	NA		
Net Additions	000's	2,043	3,720	36,362		
Airtel's Market Share of Net Additions	%	NA	NA	NA		
Prepaid Customers as a % of total customers	%	99.3%	99.3%	99.3%		
Average Revenue Per User (ARPU)	US$	7.3	7.4	7.4		
Average Rate Per Minute (ARPM)	US¢	6.1	6.6	7.2		
Average Minutes of Use Per User	Min	120	112	103		
Monthly Churn	%	5.9%	5.8%	5.6%		
Non Voice Revenue as a % of mobile revenues	%	7.9%	7.1%	7.9%		

A.2.9 Traffic, Coverage and Network Trends - Africa

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Mobile Services	Mn Min	**14,904**	**12,782**	**3,695**		
International Long Distance Services	Mn Min	-	-	-		
Total Minutes on Network (Gross)	**Mn Min**	**14,904**	**12,782**	**3,695**		
Eliminations	Mn Min	-	-	-		
Total Minutes on Network (Net)	**Mn Min**	**14,904**	**12,782**	**3,695**		

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Mobile Servies						
Towns & Villages	Nos	NA	NA	NA		
Population Coverage	%	NA	NA	NA		
Network Sites	Nos	11,338	10,998	10,840		

A.2.10 Human Resource Analysis - Africa

Parameters	Unit	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009
Total Employees	**Nos**	**6,434**	**6,371**	**6,600**		
Number of Customers per employee	Nos	6,547	6,291	5,509		
Personnel Cost per employee per month	US$	4,625	4,128	3,872		
Gross Revenue per employee per month	US$	47,195	45,316	42,161		

A.3 Key Accounting Policies as per IFRS

1. Joint Ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control; that is, when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control. The Group reports its interests in jointly controlled entities using proportionate consolidation. The Group's share of the assets, liabilities, income, expenses and cash flows of jointly controlled entities are combined with the equivalent items in the results on a line-by-line basis in the consolidated financial statements. The financial statements of the joint venture are prepared for the same reporting period as the parent company. Adjustments are made where necessary to bring the accounting policies in line with those of the Group.
Adjustments are made in the Group's consolidated financial statements to eliminate the Group's share of intra-group balances, income and expenses and unrealized gains and losses on transactions between the Group and its jointly controlled entities.

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
Computer equipment	3
Office, furniture and equipment	2 - 5
Vehicles	3 - 5
Leasehold improvements	Remaining period of the lease or 10/20 years, as applicable, whichever is less
Assets individually costing Rs. 5 thousand or less	1
Customer premises equipment	5 - 6

Land is not depreciated. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.
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 or a jointly controlled entity, 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 statement of comprehensive income.

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)'. On disposal of a foreign operation, the component of FCTR relating to that particular foreign operation is recognized in the statement of comprehensive income.

5. Capital leases

Lessee accounting

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property 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 capital 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 lessor outstanding in respect of the capital 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. Direct expenditures incurred in connection with agreements are capitalized and expensed over the term of the agreement.

The contracted price is received in advance and is recognized as revenue during the period of the agreement. Unearned IRU revenue net of the amount recognizable within one year is disclosed as unearned income in non-current liabilities and the amount recognizable within one year as unearned income 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/ internet usage charges, 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.

Service revenues are recognized as the services are rendered and are stated net of discounts, waivers and taxes. Revenues from pre-paid cards are recognized based on actual usage. 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. Subscriber acquisition costs are expensed as incurred. On introduction of new prepaid products, processing fees on recharge coupons is being recognized over the estimated customer relationship period or coupon validity period, whichever is lower.

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 their expected customer relationship period of 12 months. Service revenue is recognized from the date of satisfactory installation of equipment and software at the customer site and provisioning of internet and satellite services. Revenue from prepaid dialup packs is recognized on an actual usage basis and is net of sales returns and discounts.

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 is recognized over the period of arrangement.

Unbilled receivables represent revenues recognized from the bill cycle date to the end of each month. These are billed in subsequent periods based on the terms of the billing plans.

Unearned income includes amounts received in advance on pre-paid cards and advance monthly rentals on post-paid. The related services are expected to be performed within the next operating cycle.

(ii) Equipment sales

Equipment sales consist primarily of revenues from sale of VSAT and internet equipment (hardware) and related accessories to subscribers. Equipment sales are treated as activation revenue and are deferred and amortized over the customer relationship period.

(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 satellite 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 separate units of accounting at the inception of the arrangement in accordance "Revenue Arrangements with Multiple Deliverables" applying the hierarchy in IAS 8.12.
Revenue is determined for each of the units of accounting on the basis of their fair values Arrangements involving the delivery of bundled products or services shall be separated into individual elements, each with own separate revenue contribution. Total arrangement consideration related to the bundled contract is allocated among the different elements 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 is generated). Where the Group has determined that the fair value of individual element is not ascertainable, equipment sales for these these arrangements are deferred and amortized over the term of the arrangement.

9. License fees

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

Group's shares of licenses acquired under business combination are accounted for at their respective fair values as at the date of acquisition. The amounts are amortized on a straight-line basis over the remaining period of the license from the date of acquisition of respective circles.

The revenue-share fee on license 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, licenses 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 upto Rs. 500 (thousand) is written off in the year placed in service.
- Bandwidth capacities are amortized over the period of the agreement subject to a maximum of 18 years.
- 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 : Over three years
- Customer base: The estimated life of such relationships.
- Non-compete clause: Over the remaining period of license.

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 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. The interest cost incurred for funding a qualifying asset during the construction period is capitalized based on actual investment in the asset at the average interest rate. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

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. Issuance of Stock by Subsidiaries

At the time a subsidiary sells its stock to unrelated parties at a price less than or in excess of its book value, the Company's investment in that subsidiary's net assets changes. The Company's policy is to record such changes in its Consolidated statement of changes in equity.

GLOSSARY

Technical and Industry Terms

Company Related	
3G	Third Generation of Mobile Telephony.
ARPU (for Mobile and Telemedia Services)	Average revenue per customer per month is computed by: dividing the total revenues, excluding equipment sales during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
ARPM (Average Rate Per Minute)	Average Rate Per Minute is computed by: Dividing the total revenues by total minutes.
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 Minutes of Use per user	Average minutes of usage per customer per month is calculated by dividing the total minutes of usage (incoming, outgoing and in-roaming) on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Average Sharing Operators	Average Sharing Operators are derived by computing the average of the monthly average sharing operators for the relevant period
Average Customers	Average customers are derived by computing the average of the monthly average customers for the relevant period.
Average Towers	Average towers are derived by computing the average of the monthly average 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 issued and 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 quarter.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity holders of parent and net debt.
Cash Profit From Operations	It is not a IFRS measure and is defined as operating income adjusted for depreciation and amortization, pre-operating costs, interest expense and interest income.
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.
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.
DTH	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.
Earnings Per Diluted Share	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. 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 and pre-operating 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.

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.
Profit / (Loss) after current tax expense	It is not a IFRS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.
Investments in projects	The investment in projects comprises gross fixed assets, intangible assets, capital work in progress, gross goodwill, investment in JV's and one-time entry fee paid towards acquisition of licenses.
ICT	Information Communication Technology
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.
LTM	Last twelve months.
Market Capitalization	Number of issued and outstanding shares as at end of June 30, 2010 multiplied by closing market price (BSE) as at end of June 30, 2010.
Mn	Million
MNP	Mobile Network 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.
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 minus cash and cash equivalents, restricted cash, restricted cash non-current, short-term investments and investments as at the end of the relevant period.
Net Debt to EBITDA	It is computed by dividing net debt as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
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 Revenues	It is not IFRS measure and is defined as total revenues adjusted for access charges for the relevant period.
NLD	National Long Distance Services.
Non Voice Revenue as a % of consolidated 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 VAS Revenues for Mobile, VAS and Internet Revenues for Telemedia Services and Bandwidth and Internet Revenues for Enterprise Services.
Non Voice Revenue as a % 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 for mobile services includes revenues from value added services (including SMS, GPRS, MMS, Ring Back Tones etc.).
Operating Cash flow	It is computed by subtracting capex from EBITDA after acquisition related costs.
Return On Capital Employed (ROCE)	For the full year ended March 31, 2007, 2008, 2009 and 2010. 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, 2007, 2008, 2009 and 2010, 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.
SA	South Asia
Sharing revenue per Sharing Operator per month	It is computed by dividing gross revenue less energy and other pass through, from Passive Infrastructure services by average sharing operators.
Sharing factor	It is computed by dividing average sharing operators by average towers.
Total Tenancies	It is the sum of all operators sharing total towers.
Total Towers	It is the sum of ground based towers, roof top towers and others.
TSP	Telecom Service Provider
Total Operating Expenses	It is defined as sum of equipment costs, employee costs, network operations costs and selling, general and administrative cost for the relevant period.
Underlying EBITDA Margin	It is calculated by dividing EBITDA before re-branding and acquisition related costs for the relevant period by the Total Revenues for the relevant period.

Regulatory

AUSPI	Association of Unified Telecom Service Providers of India.
BTSs	Base Transceiver
BWA	Broadband Wireless Access
3G	Third - Generation Technology
COAI	Cellular Operators Association of India
CMTS	Cellular Mobile Telephone Service
DoT	Department of Telecommunications
EMF	Electromagnetic Field
ICNIRP	International Commission for Non Ionisation Radiation Protection
ISP	Internet Service Provider
IUC	Interconnection Usage Charges.
MNP	Mobile Number Portability
OFC	Optical Fiber Communication
TEC	Telecom Engineering Centre
TRAI	Telecom Regulatory Authority of India.
UASL	Unified Access Service License.
UCC	Unsolicited Commercial Communication
VSAT	Very Small Aperture Terminals

Others (Industry)

BSE	The Stock Exchange, Mumbai
RBI	Reserve Bank of India
GSM	Global System for Mobile Communications.
CDMA	Code Division Multiple Access

IGAAP	Generally Accepted Accounting Principles in India.
USGAAP	United States Generally Accepted Accounting Principles.
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.

This page has been left blank intentionally.

Written correspondence to be sent to:
Bharti Airtel Limited
Investor Relations
ir@bharti.in
http://www.airtel.in