Quarterly report on the results for the first quarter ended Jun 30, 2015

Bharti Infratel Limited

(Incorporated as a public limited company on November 30, 2006 under the Companies Act, 1956)
Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

July 22, 2015

The financial statements included in this quarterly report fairly present in all material respects the financial position, results of operations, cash flow of the Company as of and for the periods presented in this report.

Supplemental Disclosures

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or 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 involves a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Bharti Infratel Limited; along with the equity investment risk which doesn't guarantee capital protection.

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 Indian Generally Accepted Accounting Principles (IGAAP), but are not in themselves IGAAP measures. They should not be viewed in isolation as alternatives to the equivalent IGAAP measures and should be read in conjunction with the equivalent IGAAP measures.

Further, disclosures are also provided under “Use of Non - GAAP financial information” on page 23

Others: In this report, the term “Bharti Infratel” or “Infratel” or “the Company” refers to Bharti Infratel Limited, whereas references to “we”, “us”, “our”, “the Group” and other similar terms, unless otherwise specified or the context otherwise implies, refer to Bharti Infratel Limited taken together with its wholly owned subsidiary, Bharti Infratel Ventures Limited and Bharti Infratel’s 42% equity interest in Indus Towers Limited till FY12-13.

Pursuant to filing the Order of Hon’ble High Court with Registrar of Companies (ROC) on June 11, 2013, Bharti Infratel Ventures Limited has been merged with Indus Towers Limited as of that date.

With effect from FY 13-14, references to “we”, “us”, “our”, “the Group” and other similar terms, unless otherwise specified or the context otherwise implies, refer to Bharti Infratel Limited taken together with its wholly owned subsidiary, Bharti Infratel Services Limited (which was incorporated on June 4, 2013 and received Certificate for Commencement of Business on August 13, 2013), and Bharti Infratel’s 42% equity interest in Indus Towers 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.

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Section 1

BHARTI INFRATEL – PERFORMANCE AT A GLANCE

Particulars	UNITS	Full Year Ended[5]			Quarter Ended[5]				
		2013	2014	2015	Jun 2014	Sep 2014	Dec 2014	Mar 2015	Jun 2015
Consolidated Operating Highlights									
Total Towers	Nos	82,083	83,368	85,892	83,778	84,303	85,064	85,892	86,397
Total Co-locations	Nos	156,608	167,202	182,294	170,320	174,270	178,748	182,294	185,215
Average Sharing factor	Times	1.90	1.96	2.06	2.02	2.05	2.08	2.11	2.13
Closing Sharing factor	Times	1.91	2.01	2.12	2.03	2.07	2.10	2.12	2.14
Sharing Revenue per Tower per month	Rs	66,034	66,273	70,169	68,886	69,740	70,805	71,828	72,955
Sharing Revenue per Sharing Operator per month	Rs	34,717	33,862	33,983	34,113	34,016	33,970	34,011	34,201
Consolidated Financials									
Revenue[1&6]	Rs Mn	102,720	108,267	116,683	28,427	29,301	29,488	29,467	30,157
EBITDA[1]	Rs Mn	38,103	44,118	50,108	11,851	12,201	12,761	13,295	13,021
EBIT[1]	Rs Mn	15,852	22,742	28,194	6,537	6,731	7,165	7,761	7,400
Cash profit from operations[1]	Rs Mn	32,036	37,742	45,817	10,483	11,086	11,791	12,457	12,200
Profit before Tax	Rs Mn	15,307	23,232	30,515	6,925	7,104	7,685	8,801	8,893
Profit after Tax	Rs Mn	10,025	15,179	19,924	4,628	4,652	5,069	5,575	5,757
Capex	Rs Mn	21,470	15,268	20,809	4,798	4,601	5,758	5,651	5,037
-of Which Maintenance & General Corporate Capex	Rs Mn	3,916	4,071	5,116	1,491	1,243	1,065	1,317	1,426
Operating Free Cash Flow[1&4]	Rs Mn	17,833	26,471	27,910	6,469	7,249	6,729	7,464	7,828
Adjusted Fund From Operations (AFFO)[1]	Rs Mn	32,064	37,668	43,603	9,776	10,607	11,422	11,798	11,439
Total Capital Employed	Rs Mn	151,738	147,089	142,910	144,160	143,181	141,347	142,910	139,442
Net Debt / (Net Cash)	Rs Mn	(20,187)	(33,294)	(27,290)	(38,589)	(33,222)	(39,469)	(27,290)	(36,272)
Shareholder's Equity	Rs Mn	171,925	180,382	170,200	182,749	176,403	180,816	170,200	175,714
Key Ratios									
EBITDA Margin[2]	%	37.1%	40.7%	42.9%	41.7%	41.6%	43.3%	45.1%	43.2%
EBIT Margin[2]	%	15.4%	21.0%	24.2%	23.0%	23.0%	24.3%	26.3%	24.5%
Net Profit Margin[2]	%	9.8%	14.0%	17.1%	16.3%	15.9%	17.2%	18.9%	19.1%
Net Debt / (Net Cash) to EBITDA (LTM)	Times	(0.53)	(0.75)	(0.54)	(0.85)	(0.71)	(0.82)	(0.54)	(0.71)
Interest Coverage ratio (LTM)	Times	9.66	11.04	17.27	12.18	14.83	15.77	17.27	18.43
Return on Capital Employed (LTM)	%	10.2%	15.2%	19.4%	16.3%	17.4%	18.5%	19.4%	20.5%
Incremental Return on Capital Employed (LTM)	%	∞[3]	∞[3]	∞[3]	∞[3]	∞[3]	∞[3]	∞[3]	∞[3]
Return on Shareholder's Equity (LTM)	%	6.3%	8.6%	11.4%	8.9%	10.1%	10.4%	11.4%	11.7%
Incremental Return on Shareholder's Equity (LTM)	%	15.9%	29.3%	∞[3]	26.4%	37.9%	271.4%	∞[3]	∞[3]
Valuation Indicators									
Market Capitalization	Rs Bn	338	384	729	483	557	637	729	848
Enterprise Value	Rs Bn	318	351	702	444	524	597	702	811
EV / EBITDA (LTM)	Times	8.34	7.96	14.01	9.77	11.16	12.34	14.01	15.82
EPS (Diluted)	Rs	5.61	8.02	10.53	2.44	2.46	2.68	2.94	3.04
PE Ratio	Times	31.89	25.37	36.57	29.81	30.82	33.45	36.57	40.22

1. Revenue, EBITDA, EBIT, Cash profit from operations, Operating free cash flow and Adjusted Fund from Operations (AFFO) are excluding other income.
2. EBITDA, EBIT and Net profit margin have been computed on revenue excluding other income.
3. Incremental Return on Capital employed/Shareholder's equity as at the end of relevant periods is not ascertainable as the capital employed/shareholder's fund for the quarter and year end was lower than capital employed/shareholder's fund as at the end of the corresponding previous period.
4. Operating free cash flow for the full year ended Mar 31, 2013 have been adjusted for change in estimate of site restoration obligation.
5. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications.
6. Revenue for the full year ended Mar 31, 2013 includes uneliminated IRU income, the accrual of which discontinued post Indus Merger.

Section 2

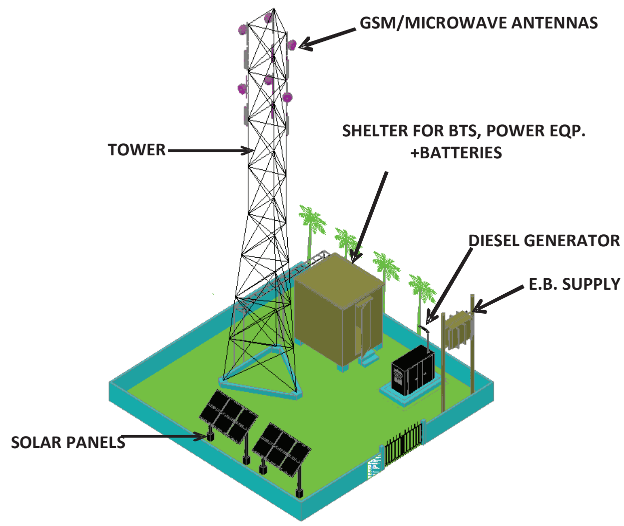
AN OVERVIEW

2.1 Industry Overview

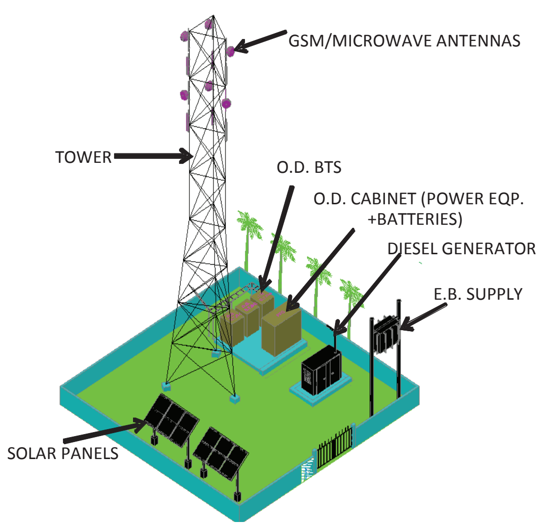
The Indian telecommunications industry is one of the most competitive globally. The focus of Indian operators in the last ten years or so has been to develop an affordable mass market telecommunications service model which allows for service availability across India's urban and rural areas at affordable prices. A strong focus on optimization of operational expenses through the outsourcing of non-core areas, process innovation, cost-to-serve alignment and strategic partnerships has also resulted in steady growth of the Tower Industry. Today, all operators prefer to lease towers from tower companies rather than build them for captive use.

Infrastructure sharing is effective in optimizing the utilization of available resources and helps to bring down the cost of providing telecommunications services. With the reduction in overall tariffs and restrictions placed by various local regulatory bodies on the installation of telecom towers, infrastructure sharing amongst service providers has become the norm rather than the exception in the Indian telecommunications industry.

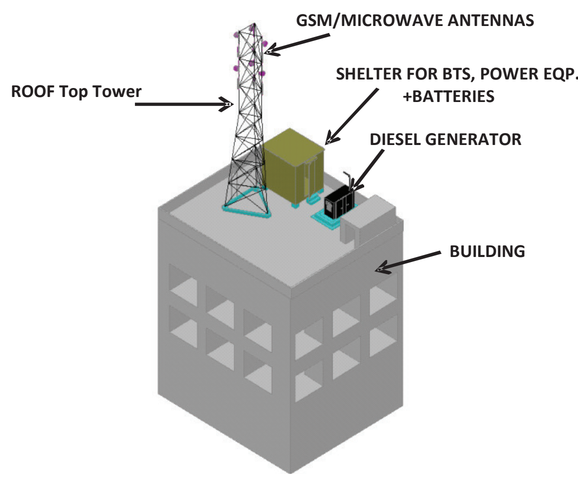
Tower companies provide the entire range of tower infrastructure that is required by wireless telecommunications service providers to offer mobile telephony services to their subscribers. Tower infrastructure refers to equipments such as towers, shelters, power regulation equipment, battery banks, diesel generator sets ("DG sets"), air conditioners, fire extinguishers and a security cabin, required at a site where such towers are installed. There are generally two types of towers – Ground Based Towers ("GBTs") and Roof Top Towers ("RTTs").



GBT-WITH INDOOR BTS



GBT-WITH OUTDOOR BTS



RTT-WITH INDOOR BTS

Average specifications for GBT and RTT are summarized in the following table:

	GBT	RTT
Space Requirement	4,000 Sq. Ft.	Roof Top
Height (m)	40-60	14-20
Occupancy Capacity	3-5 co-location	2-3 co-location

There are two kinds of infrastructure that constitute a telecom tower:

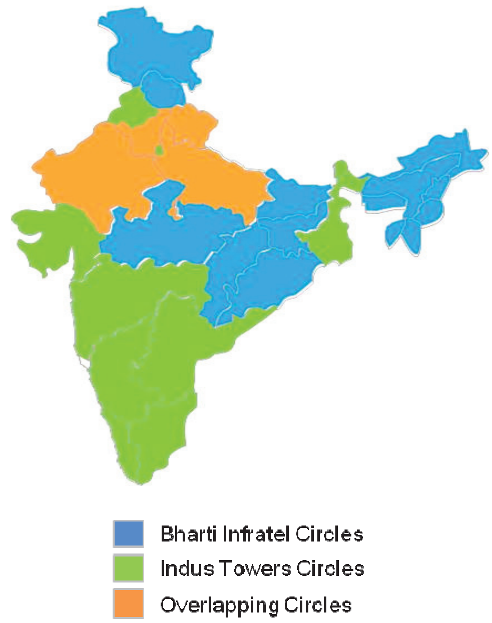
▪ Active Infrastructure: Radio antenna, BTS/cell site, cables etc that are owned and supplied by telecom operators
▪ Tower Infrastructure: Steel tower, shelter room, DG set, Power regulation equipment, Battery bank, security cabin etc. that supports active infrastructure.

2.2 Company Overview

Bharti Infratel is a provider of tower and related infrastructure sharing services. On a consolidated basis, we are one of the largest PAN India tower infrastructure providers, based on the number of towers owned and operated by Bharti Infratel and Indus,that are represented by Bharti Infratel's 42% equity interest in Indus. The business of Bharti Infratel and Indus is to acquire, build, own and operate tower and related infrastructure. Bharti Infratel and Indus provide access to their towers primarily to wireless telecommunications service providers on a shared basis, under long-term contracts. Bharti Infratel's and Indus's three largest customers are Bharti Airtel (together with Bharti Hexacom), Vodafone India and Idea Cellular, which are the three leading wireless telecommunications service providers in India by wireless revenue.

We have a nationwide presence with operations in all 22 telecommunications Circles in India, with Bharti Infratel and Indus having operations in 4 overlapping Circles.

As of Jun 30, 2015, Bharti Infratel owned and operated 37,486 towers with 77,292 co-locations in 11 telecommunications Circles while Indus operated 1,16,454 towers with 2,56,960 co-locations in 15 telecommunications Circles. With Bharti Infratel's towers and Bharti Infratel's 42% interest in Indus, we have an economic interest in the equivalent of 86,397 towers and 1,85,215 co-locations in India as of Jun 30, 2015.



We have entered into MSAs with our customers. The MSAs are long-term contracts which set out the terms on which access is provided to Bharti Infratel's and Indus's towers, with all service providers being offered substantially the same terms and receiving equal treatment at towers where they have installed their active infrastructure. Under the MSAs, Bharti Infratel and Indus enter into service contracts in respect of individual towers. The MSAs and service contracts govern Bharti Infratel's and Indus's relationship with their customers; the services provided, the applicable charges and incorporate annual escalation clauses in respect of the applicable charges. This provides stability to our business and provides visibility with regard to future revenues.

Relationship with Indus

In order to capitalize on the opportunities for tower sharing in the Indian telecommunications market, Bharti Airtel, Bharti Infratel, Vodafone India and Idea Cellular agreed to establish Indus as an independently managed joint venture that provides non-discriminatory shared tower services to all wireless telecommunications service providers. In furtherance of this joint venture, the parties also agreed to contribute certain identified towers to Indus and to use the services of Indus in the first instance for any new rollout of telecommunications towers or co-locations in 15 telecommunications circles. In this context, Indus was incorporated in November 2007 and Bharti Airtel, Bharti Infratel, Vodafone India (certain of its subsidiaries), Idea Cellular and Idea Cellular Infrastructure entered into the Indus Share Holders Agreement (SHA) to govern their relationship with respect to Indus and its day-to-day operations and the Framework Agreement, which sets out among other things, the basis on which towers were to be contributed to Indus by the respective parties. In accordance with the Framework Agreement, Bharti Infratel, Vodafone India and Aditya Birla Telecom hold a 42%, 42% and 16% shareholding interest in Indus, respectively.

The Indus SHA provides that Indus cannot carry on business in the seven telecommunications Circles in which Bharti Infratel currently operates exclusive of Indus. Similarly, subject to certain exceptions, the joint venture partners are not permitted to, among other things (a) compete with the business of Indus in the 15 specified telecommunications Circles that Indus currently operates in, (b) develop, construct or acquire any tower in the 15 specified telecommunications Circles that Indus currently operates in and (c) directly or indirectly procure orders from or do business with any entity that has been a customer of Indus during the previous two year period in competition with the business of Indus in the 15 specified telecommunications Circles that Indus currently operates in.

Bharti Infratel entered into an indefeasible right to use agreement with Indus in December 2008. Pursuant to this agreement, Bharti Infratel granted Indus an IRU in relation to certain of its towers in the telecommunications Circles of Mumbai, Kolkata, Maharashtra, Tamil Nadu (including Chennai), Kerala, Gujarat, Delhi, Karnataka, Andhra Pradesh, Punjab and West Bengal, which it was to contribute to Indus in accordance with the terms of the Framework Agreement. Consequent to the transfer of towers by Bharti Infratel to Bharti Infratel Ventures Limited, the IRU with Bharti Infratel was transferred to Bharti Infratel Ventures Limited (the "BIVL IRU") in respect of these towers. Similarly, the other joint venture partners had entered into similar IRU arrangements with Indus, which have been transferred to their respective tower infrastructure entities, and on the basis of which Indus operates and derives revenues from the towers that are to be contributed to it.

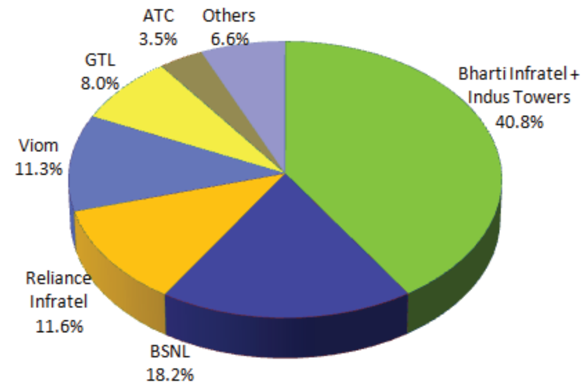
On the basis of the relationship as described above, Bharti Infratel and Indus do not compete with each other in any telecommunications Circle, they do not have any conflicts of interest in this regard and are able to work closely with each other and benefit from the synergies generated by the nationwide coverage and large scale of their operations.

Pursuant to filing the Order of Hon'ble High Court of Delhi with Registrar of Companies (ROC) on June 11, 2013, Bharti Infratel Ventures Limited has been merged with Indus Towers Limited as of that date. Please refer to the section "Indus Merger" in the glossary for further details. Pursuant to the Indus Merger, the IRU arrangements between BIVL and Indus Towers Ltd. cease to exist.

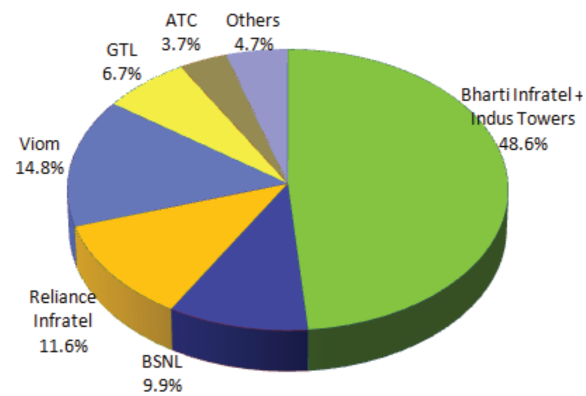
Market Share

As per the recent report 'Indian Tower Industry: The Future is Data – June 2015' by Deloitte, Bharti Infratel and Indus Towers together have a market share of 40.8% and 48.6% for towers and co-locations respectively.

Share of Towers



Share of Co-locations



Future visibility on revenues & cash flows

Bharti Infratel has assured future revenues and cash flows because of the following key competitive strengths:

- A leading telecommunications infrastructure operator in India, with large scale, nationwide operations in an industry with entry barriers.
- Extensive presence in all telecommunications Circles with high growth potential
- Long term contracts with leading wireless telecommunications service providers in India, providing visibility on future revenues.

  On a consolidated basis, the estimated weighted average remaining life of service contracts, entered into with telecommunications service providers, as on Jun 30, 2015 is 5.87 Years.

- Comprehensive deployment and operational experience supported by well developed processes, systems and IT infrastructure.

Alternate Energy and Energy Conservation Measures

Bharti Infratel believes that a healthy environment is a prerequisite for progress, contributing to the well being of society, our people and our business, and serving as the foundation for a sustainable and strong economy. In line with the vision of being known for Environmental Friendliness, the Company continues to deploy people, ideas and capital to help find effective solutions to environmental issues.

Bharti Infratel has initiated Green Towers P7 program based on seven ideas aimed at minimizing dependency on diesel and, thereby, carbon footprint reduction. This program promotes (a) improving energy efficiency of tower infrastructure equipment, (b) use of renewable energy resources, and (c) reduction of equipment load on tower infrastructure equipment.

Some of the key initiatives taken so far are:

- Solar Photovoltaic (PV) Solutions: As of Jun 30, 2015, we operate over 2,900 solar-powered sites across the network on a consolidated basis, which helps in reducing noise and emissions from DG sets and also in reducing dependency on diesel, thereby contributing towards better energy security. The Company is working towards scaling up the solar installations across the network.

  Further, we are partnering with Renewable Energy Service Companies in our efforts towards powering our towers using renewable energy along with community power development, in rural areas.

- Adoption of Integrated Power Management Solutions (IPMS) and Plug and Play Cabinets (PPC) as part of standard configuration for new tower deployment to ensure effective utilization of grid power supply on the towers.

- Comprehensive program to ensure zero diesel consumption at our tower sites. On a consolidated basis, over 25,500 towers across our network are diesel-free.

We believe that these renewable energy initiatives, energy efficiency measures and load optimization methods will continue to have long-term benefits to our business, securing us against rising power and fuel costs as well as reducing the environmental impact of our operations.

For Operating highlights and details refer Page no. 12

Section 3

FINANCIAL HIGHLIGHTS

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) and the underlying information. The consolidated financial results represent results of the Company and its subsidiary and its share in Joint Venture Company accounted for by proportionate consolidation.

Detailed financial statements, analysis & other related information is attached to this report (page 19). Also, kindly refer to section 7.3 - use of Non-GAAP financial information (Page 23) and Glossary (Page 35) for detailed definitions

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3.1 Summary of Consolidated Financial Statements

3.1.1 Summarized Consolidated Statement of Operations (net of inter-company eliminations)

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Revenue[1]	30,157	28,427	6%
EBITDA[1]	13,021	11,851	10%
EBITDA Margin[2]	*43.2%*	*41.7%*	
EBIT[1]	7,400	6,537	13%
Other Income	2,158	1,172	84%
Finance cost	665	784	-15%
Profit before Tax	8,893	6,925	28%
Income tax expense	3,136	2,297	37%
Profit after Tax	5,757	4,628	24%
Capex	5,037	4,798	5%
Operating Free Cash Flow[1]	7,828	6,469	21%
Adjusted Fund From Operations (AFFO)[1]	11,439	9,776	17%
Cumulative Investments	277,622	269,207	3%

1. Revenue, EBITDA, EBIT, Operating free cash flow and Adjusted Fund from Operations (AFFO) are excluding other income.
2. EBITDA margin has been computed on revenue excluding other income.

3.1.2 Summarized Statement of Consolidated Financial Position

Amount in Rs. mn

Particulars	As at Jun 30, 2015	As at Mar 31, 2015
Shareholder's Fund		
Share capital	18,963	18,938
Reserves and surplus	156,751	151,262
	175,714	**170,200**
Non-current liabilities	52,401	50,653
Current liabilities	48,239	50,694
Total liabilities	**100,640**	**101,347**
Total Equity and liabilities	**276,354**	**271,547**
Assets		
Non-current assets	215,924	214,198
Current assets	60,430	57,349
Total assets	**276,354**	**271,547**

3.2 Summarized Statement of Group Consolidation- Statement of Operations

3.2.1 Bharti Infratel Consolidated (Quarter Ended Jun 30, 2015)

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended Jun 30, 2015			
	Infratel Standalone	Indus Consolidation[3]	Eliminations	Infratel Consol[4]
Revenue[1]	13,875	16,291	(9)	30,157
EBITDA[1]	6,212	6,809	0	13,021
EBITDA Margin[2]	*44.8%*	*41.8%*		*43.2%*
EBIT[1]	3,298	4,102	0	7,400
Other Income	1,904	254	0	2,158
Finance cost	1	664	0	665
Profit before Tax	5,201	3,692	0	8,893
Income tax expense	1,825	1,311	0	3,136
Profit after Tax	3,376	2,381	0	5,757
Capex	2,931	2,106	0	5,037
Operating Free Cash Flow[1]	3,101	4,727	0	7,828
Adjusted Fund From Operations(AFFO)[1]	5,283	6,157	0	11,439
Cumulative Investments	130,908	146,714	0	277,622

1. Revenue, EBITDA, EBIT, Operating free cash flow and AFFO are excluding other income.
2. EBITDA margin has been computed on revenue excluding other income.
3. Refer glossary for Indus Consolidation.
4. Infratel consolidated includes wholly owned subsidiary BISL.

3.2.2 Bharti Infratel Standalone

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Revenue[1]	13,875	13,229	5%
EBITDA[1]	6,212	5,755	8%
EBITDA Margin[2]	*44.8%*	*43.5%*	
EBIT[1]	3,298	2,958	11%
Other Income[3]	1,904	10,232	
Finance cost	1	(57)	
Profit before Tax	5,201	13,247	-61%
Income tax expense	1,825	1,180	55%
Profit after Tax	3,376	12,067	-72%
Capex	2,931	2,809	4%
Operating Free Cash Flow[1&3]	3,101	2,567	21%
Adjusted Fund From Operations(AFFO)[1]	5,283	4,458	18%
Cumulative Investments	130,908	125,011	5%

1. Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.
2. EBITDA margin has been computed on revenue excluding other income.
3. Other Income for the quarter year ended Jun 30, 2014 includes dividend income of Rs. 9,510 million received from Indus Towers Ltd.

3.2.4 Indus Consolidation[3]

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Revenue[1]	16,291	15,204	7%
EBITDA[1]	6,809	6,096	12%
EBITDA Margin[2]	*41.8%*	*40.1%*	
EBIT[1]	4,102	3,579	15%
Other Income	254	450	-44%
Finance cost	664	841	-21%
Profit before Tax	3,692	3,188	16%
Income tax expense	1,311	1,117	17%
Profit after Tax	2,381	2,071	15%
Capex	2,106	1,989	6%
Operating Free Cash Flow[1]	4,727	3,902	21%
Adjusted Fund From Operations(AFFO)[1]	6,157	5,317	16%
Cumulative Investments	146,714	144,196	2%

1. Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.
2. EBITDA margin has been computed on revenue excluding other income.
3. Refer glossary for Indus Consolidation.

3.3 Summarized Statement of Group Consolidation- Statement of Financial Position

Amount in Rs mn

Particulars	As at Jun 30, 2015			
	Infratel Standalone	Indus Consolidation[1]	Eliminations	Infratel Consol[2]
Shareholder's Fund				
Share capital	18,963	1	(1)	18,963
Reserves and surplus	164,184	53,165	(60,598)	156,751
	183,147	**53,166**	**(60,599)**	**175,714**
Non-current liabilities	14,004	38,397	0	52,401
Current liabilities	30,305	18,218	(284)	48,239
Total liabilities	**44,309**	**56,615**	**(284)**	**100,640**
Total Equity and liabilities	**227,456**	**109,781**	**(60,883)**	**276,354**
Assets				
Non-current assets	176,334	100,189	(60,599)	215,924
Current assets	51,122	9,592	(284)	60,430
Total assets	**227,456**	**109,781**	**(60,883)**	**276,354**

1. Refer glossary for Indus Consolidation.
2. Infratel consolidated includes wholly owned subsidiary BISL.

Section 4

OPERATING HIGHLIGHTS

The financial figures used for computing sharing revenue per sharing operator, sharing revenue per tower, revenue per employee per month, Personnel cost per employee per month are based on IGAAP.

4.1 Tower and Related Infrastructure Services

4.1.1 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Towers[1]	Nos	86,397	85,892	505	83,778	2,619
Total Co-locations[1]	Nos	185,215	182,294	2,921	170,320	14,895
Key Indicators						
Average Sharing Factor	Times	2.13	2.11		2.02	
Closing Sharing Factor	Times	2.14	2.12		2.03	
Sharing Revenue per Tower p.m	Rs	72,955	71,828	1.6%	68,886	5.9%
Sharing Revenue per Sharing Operator p.m	Rs	34,201	34,011	0.6%	34,113	0.3%

1. Represents the sum of the numbers of towers (and the co-locations thereof) owned and operated by Bharti Infratel and 42% of the number of towers (and the co-locations thereof) owned & operated by Indus Towers.

4.1.2 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Towers	Nos	37,486	37,196	290	36,112	1,374
Total Co-locations	Nos	77,292	75,819	1,473	70,544	6,748
Key Indicators						
Average Sharing Factor	Times	2.05	2.03		1.94	
Closing Sharing Factor	Times	2.06	2.04		1.95	
Sharing Revenue per Tower p.m	Rs	75,270	74,382	1.2%	72,159	4.3%
Sharing Revenue per Sharing Operator p.m	Rs	36,714	36,630	0.2%	37,204	-1.3%

4.1.3 Indus Towers

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Towers	Nos	116,454	115,942	512	113,490	2,964
Total Co-locations	Nos	256,960	253,513	3,447	237,562	19,398
Key Indicators						
Average Sharing Factor	Times	2.20	2.17		2.08	
Closing Sharing Factor	Times	2.21	2.19		2.09	
Sharing Revenue per Tower p.m	Rs	71,311	70,370	1.3%	66,706	6.9%
Sharing Revenue per Sharing Operator p.m	Rs	32,465	32,371	0.3%	32,075	1.2%

4.2 Human Resource Analysis

4.2.1 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total On Roll Employees[1]	Nos	2,152	2,176	(24)	2,107	46
Number of Towers per Employee	Nos	40	39	1.7%	40	0.9%
Personnel Cost per Employee per month	Rs	156,650	158,523	-1.2%	152,889	2.5%
Revenue per Employee per month	Rs	4,645,127	4,521,961	2.7%	4,466,768	4.0%

1. Total On Roll Employees include proportionate consolidation of 42% of Indus Towers Employees.

4.2.2 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total On Roll Employees	Nos	1,216	1,249	(33)	1,210	6
Number of Towers per Employee	Nos	31	30	3.5%	30	3.3%
Personnel Cost per Employee per month	Rs	173,901	167,000	4.1%	164,889	5.5%
Revenue per Employee per month	Rs	3,752,535	3,561,859	5.4%	3,617,446	3.7%

4.2.3 Indus Towers

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total On Roll Employees	Nos	2,229	2,207	22	2,135	94
Number of Towers per Employee	Nos	52	53	-0.5%	53	-1.7%
Personnel Cost per Employee per month	Rs	133,655	146,844	-9.0%	136,734	-2.3%
Revenue per Employee per month	Rs	5,829,320	5,830,014	0.0%	5,616,385	3.8%

Note: Indus operates on outsourced operations & maintenance model in certain geographical territories wherein the associated personnel cost is recorded as part of repair & maintenance and other expenses. Hence, the related human resources key performance indicators are not strictly comparable between Bharti Infratel Standalone and Indus.

4.3 Residual Lease Period and Future Minimum Lease Receivable

4.3.1 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2015
Average Residual Service Contract Period	Yrs.	5.87
Minimum Lease Payment Receivable	Rs. Mn	474,974

Section 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Key Industry Developments

1. DoT's Office Memorandum regarding steps to be taken to address poor connectivity in hospitals dated 26th May, 2015

DoT has observed that:

- Availability of adequate coverage (indoor as well as outdoor), in the hospital premises, from all telecom operators is essential, and
- Installation of In-building Solutions (IBS) within the hospital premises is the most effective method to improve indoor coverage

In order to ensure ubiquitous mobile network coverage to all the visitors to hospitals, DoT has advised Chief Secretary, Government of NCT of Delhi and Secretary, Department of Health & Family Welfare, Government of India to issue suitable instructions to all hospitals, including private hospitals, to take necessary measures listed below:

a. Hospital authorities should readily permit on equal terms to install necessary telecom equipments in the hospital premises;

b. Hospitals should provide necessary infrastructure at nominal/reasonable charges;

c. Provision of permission for installation of telecom equipment (including IBS) should not be used as a means to generate revenue by hospitals;

d. Existing infrastructure may be allowed to be shared by all the operators; and

e. Existing sites inside the hospital premises should be allowed to function without any disturbance.

5.2 Key Company Developments

1. Inclusion in MSCI Global Standard Index

During the quarter, Bharti Infratel Limited (the Company) was included in the list of stocks in MSCI Global Standard Index, an index created by Morgan Stanley Capital International (MSCI) that serves as a benchmark of the performance in major international equity markets. The change in the index was effective from the close of trading on May 29, 2015.

MSCI indexes are used by investors around the world to develop and benchmark their global equity portfolios.

2. Awards and Recognitions

a. Bharti Infratel was adjudged the '**Best Employer**' at the prestigious **Aon Hewitt Best Employer Awards 2015**. Recognizing the high Engagement levels, Aon Hewitt has also bestowed upon us a special category of award for '**Commitment to Engagement**'. The Aon Hewitt awards recognize and felicitate companies for a robust people practices followed with key focus on career development and engagement through career opportunities, internal communications processes, leadership development, robust HR strategy and execution.

b. Bharti Infratel won '**Firm of the year – Infrastructure**' award at the **CNBC TV18 India Risk Management Awards 2015**. The award was in recognition of the company's efforts to put in place a robust risk management infrastructure that encompasses risk mitigation practices and controls around all areas of operations.

c. Bharti Infratel was conferred with '**Developer of the Year - off Grid Projects**' award at the **5th Global Solar EPC Summit 2015.** The company was recognized for its efforts in using renewable sources of energy through solar powered sites across India.

5.3 Results of Operations

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) and the underlying information. The consolidated financial results represent results of the Company and its subsidiary and its share in Joint Venture Company accounted for by proportionate consolidation

Key Highlights - For the quarter ended Jun 30, 2015

- **Consolidated tower base at 86,397**
- **Consolidated co-locations at 185,215**
- **Average sharing factor at the end of the quarter at 2.13 (L.Y. 2.02)**
- **Consolidated Revenues at Rs. 30,157 Mn (up 6% Y-o-Y)**
- **Consolidated EBITDA at Rs. 13,021 Mn (up 10% Y-o-Y)**
- **Net profit at Rs. 5,757 Mn (up 24% Y-o-Y)**
- **Adjusted Fund From Operation (AFFO) at Rs. 11,439 Mn (up 17% Y-o-Y)**

5.3.1 Financial & Operational Performance

Bharti Infratel Consolidated

Quarter Ended Jun 30, 2015

Tower and Co-Location base & additions

Net co-locations added during the quarter were 2,921 on consolidated basis and 1,473 on standalone basis.

Revenues[1] from Operations

Our consolidated revenue from operations for the quarter ended Jun 30, 2015 was Rs 30,157 million, a growth of 6.1% compared to the quarter ended Jun 30, 2014. Our consolidated revenue comprises of primarily revenues from co-locations of Bharti Infratel and 42% economic Interest in Indus and their energy billings.

For the quarter ended Jun 30, 2015, Bharti Infratel and Indus had average sharing factors of 2.05 and 2.20 per tower, respectively.

Operating Expenses

Our consolidated total expenses for the quarter ended Jun 30, 2015 were Rs 17,136 million, or 56.8% of our consolidated revenues from operations. The largest component of our consolidated expenses during this period was power and fuel, amounting to Rs 10,733 million. The other key expenses incurred by us during the quarter ended Jun 30, 2015 were rent of Rs 2,556 million, repair & maintenance (operations and maintenance costs of the network) of Rs 2,296 million and employee benefits expenses of Rs. 1,017 million.

EBITDA[1], EBIT[1] & Finance Cost

For the quarter ended Jun 30, 2015, the Group had an EBITDA of Rs 13,021 million, a growth of 9.9% compared to the quarter ended Jun 30, 2014. The reported EBITDA margin for the quarter was 43.2%.

During the quarter ended Jun 30, 2015, the Group had depreciation and amortization expenses of Rs 5,571 million or 18.5% of our consolidated incomes. The resultant EBIT for the quarter ended Jun 30, 2015 was Rs 7,400 million, a growth of 13.2% compared to the quarter ended Jun 30, 2014. The finance cost for the quarter ended Jun 30, 2015 was Rs 665 million or 2.2% of our consolidated revenues, resulting from our consolidated indebtedness.

Profit before Tax (PBT)

Our consolidated profit before tax for the quarter ended Jun 30, 2015 was Rs 8,893 million, or 29.5% of our consolidated revenues, a growth of 28.4% compared to the quarter ended Jun 30, 2014.

Profit after Tax (PAT)

The net income for the quarter ended Jun 30, 2015 was Rs 5,757 million or 19.1% of our consolidated revenues, representing a Y-o-Y growth of 24.4%. Our consolidated total tax expense for the quarter ended Jun 30, 2015 was Rs 3,136 million, or 10.4% of our consolidated revenues.

Capital Expenditure, Operating Free Cash Flow[1] & Adjusted Fund from Operations (AFFO) [1]

For the quarter ended Jun 30, 2015, the Group incurred capital expenditure of Rs 5,037 million. The Operating free cash flow during the quarter was Rs 7,828 million, an increase of 21.0% compared to the quarter ended Jun 30, 2014 on account of higher operating income.

The Adjusted Fund from Operations (AFFO) during the quarter was Rs 11,439 million, an increase of 17.0% compared to the quarter ended Jun 30, 2014.

[1]Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.

Return on Capital Employed (ROCE)

ROCE as at the period ended Jun 30, 2015 stands at 20.5% representing a healthy surge of over 400bps over corresponding quarter last year.

5.4 Bharti Infratel Consolidated Three Line Graph

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

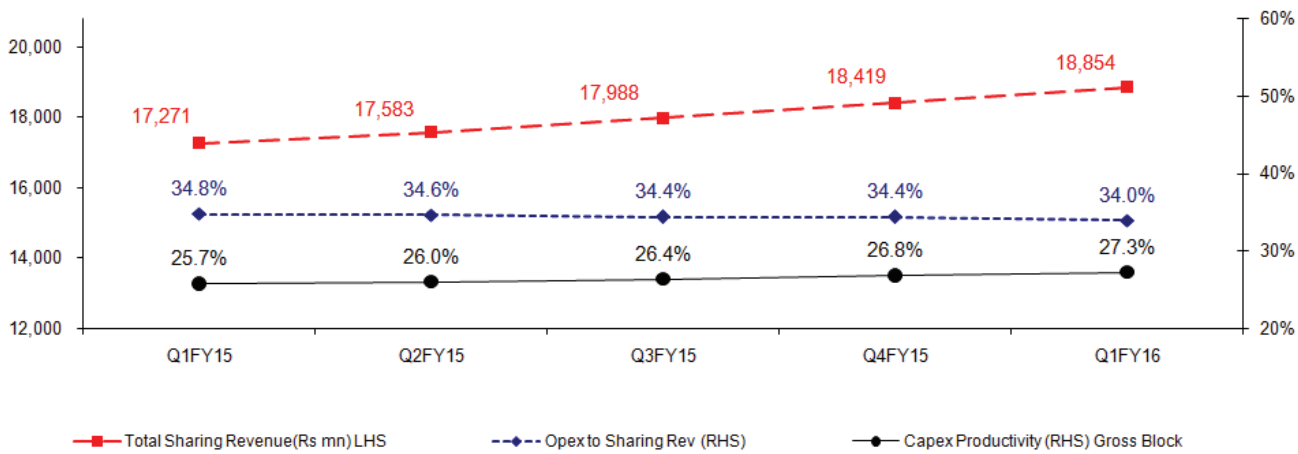
The parameters considered for the three-line graph are:

1. **Total Sharing revenue -** i.e. service revenue accrued during the respective period
2. **Opex Productivity -** is calculated as operating expenses other than power and fuel expense divided by total sharing revenues for the respective period.

   This ratio depicts the operational efficiencies in the Group.
3. **Capex Productivity** – this is computed by dividing sharing revenue accrued for the quarter (annualized) by average gross cumulative investments (gross fixed assets and capital work in progress) as at the end of respective period. This ratio depicts the asset productivity of the Group.

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

5.4.1 Bharti Infratel Consolidated



Section 6

STOCK MARKET HIGHLIGHTS

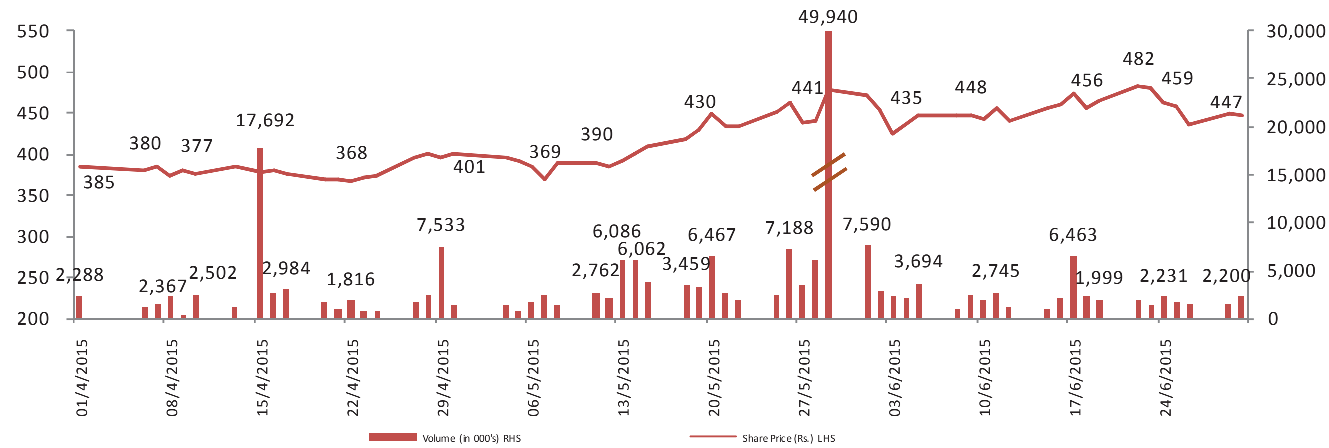
6.1 General Information

Shareholding and Financial Data	Unit	Quarter Ended Jun 30, 2015
Code/Exchange		INFRATEL/NSE
Bloomberg/Reuters		BHIN:IN/BHRI.NS
No. of Shares Outstanding (30/06/15)	Mn Nos	1,896.31
Closing Market Price - NSE (30/06/15)	Rs /Share	447.00
Combined Average Daily Volume (NSE & BSE)	Nos in Mn/day	3.65
Combined Average Daily Value (NSE & BSE)	Rs bn /day	1.57
Market Capitalization	Rs bn	848
Book Value Per Equity Share	Rs /share	92.66
Market Price/Book Value	Times	4.82
Enterprise Value	Rs bn	811
PE Ratio	Times	40.22
Enterprise Value/ EBITDA (LTM)	Times	15.82

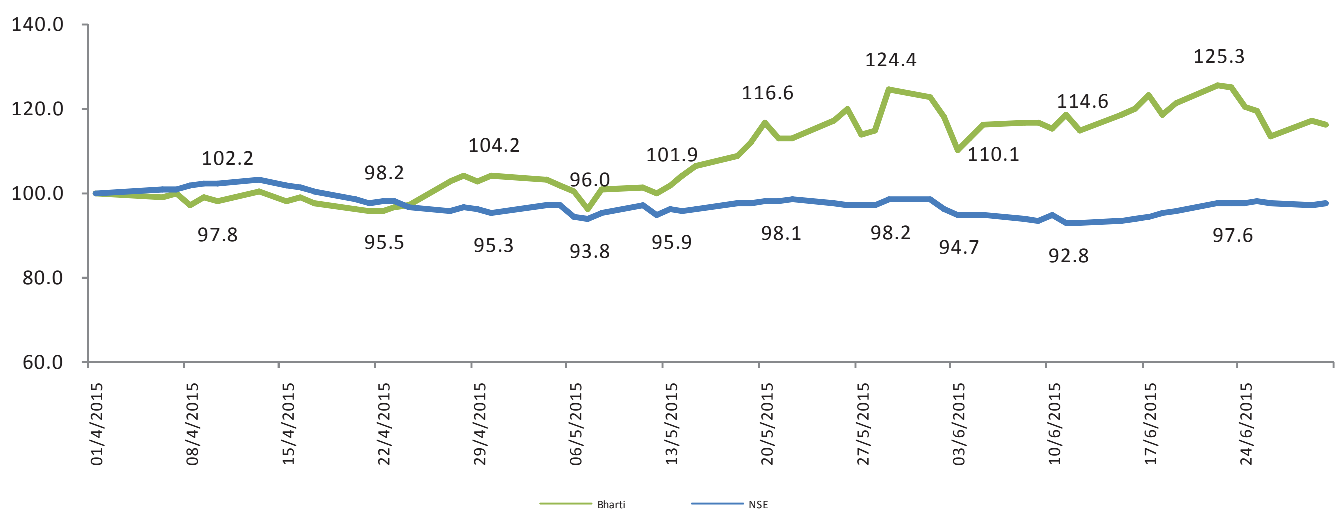
6.2 Summarized Shareholding pattern as of Jun 30, 2015

Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,360,000,000	71.7%
Foreign	-	-
Sub-Total	**1,360,000,000**	**71.7%**
Public Shareholding		
Institutions	471,515,562	24.9%
Non-Institutions	63,139,574	3.3%
Sub-Total	**534,655,136**	**28.2%**
Non-promoter Non-public shareholding		
Indian (Held by Bharti Infratel Employees' Welfare Trust)	1,652,000	0.1%
Foreign	-	-
Sub-Total	**1,652,000**	**0.1%**
Total	**1,896,307,136**	**100.0%**

6.3 Bharti Infratel daily stock price (NSE) and volume (BSE & NSE Combined) movement



6.4 Comparison of Bharti Infratel with Nifty



Nifty and Bharti Infratel Stock price rebased to 100.

Section 7

DETAILED FINANCIAL AND RELATED INFORMATION

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) and the underlying information. The consolidated financial results represent results of the Company and its subsidiary and its share in Joint Venture Company accounted for by proportionate consolidation

7.1 Extracts from Audited Consolidated Financial Statements prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP)

7.1.1 Consolidated Statement of Income

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun 30, 2015	Jun 30, 2014	Y-on-Y growth
Income			
Revenues	30,157	28,427	6%
Other income	2,158	1,172	84%
	32,315	**29,599**	**9%**
Expenses			
Power and fuel	10,733	10,566	2%
Rent	2,556	2,255	13%
Employee benefits expenses	1,017	973	5%
Repairs and maintenance	2,296	2,260	2%
Other expenses	534	522	2%
	17,136	**16,576**	**3%**
Earnings before interest, tax, depreciation & amortization & charity and donation (EBITDA)	**15,179**	**13,023**	**17%**
Depreciation and amortization expense	6,098	5,849	4%
Less: adjusted with general reserve in accordance with the Scheme	(527)	(596)	
	5,571	**5,253**	6%
Finance costs	665	784	-15%
Charity and donation	50	61	
	6,286	**6,098**	**3%**
Profit before tax	**8,893**	**6,925**	**28%**
Tax expenses			
Current tax	3,307	2,228	48%
Deferred tax	(171)	69	
Total tax expense	**3,136**	**2,297**	**37%**
Profit for the period	**5,757**	**4,628**	**24%**
Earnings per equity share (nominal value of share Rs 10 each)			
Basic (Rs.)	3.038	2.449	24%
Diluted (Rs.)	3.037	2.445	24%

7.1.2 Consolidated Statement of Financial Position

Amount in Rs mn

Particulars	As at Jun 30, 2015	As at Mar 31, 2015
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	18,963	18,938
Reserves and surplus	156,751	151,262
	175,714	**170,200**
Non-current liabilities		
Long-term borrowings	17,341	15,663
Deferred tax liabilities (net)	12,077	12,247
Other long-term liabilities	11,769	11,642
Long-term provisions	11,214	11,101
	52,401	**50,653**
Current liabilities		
Short-term borrowings	0	1,468
Trade payables	1,449	1,342
Other current liabilities	31,636	32,052
Short-term provisions	15,154	15,832
	48,239	**50,694**
Total equity and liabilities	**276,354**	**271,547**
Assets		
Non-current assets		
Fixed assets		
Tangible assets	146,568	147,919
Intangible assets	175	202
Capital work-in-progress	2,426	2,260
Non-current investments	24,652	27,382
Long-term loans and advances	8,622	8,833
Other non-current assets[1]	33,481	27,602
	215,924	**214,198**
Current assets		
Current investments	17,228	31,440
Trade receivables	3,698	3,532
Cash and bank balances	25,782	9,120
Short-term loans and advances	5,294	5,288
Other current assets	8,428	7,969
	60,430	**57,349**
Total assets	**276,354**	**271,547**

1. Other non-current assets include deposits with original maturity for more than 12 months amounting to Rs 6,657 Mn (Mar'15 – Nil)

7.1.3 Consolidated Statement of Cash Flow

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
Cash flows from operating activities	
Profit before tax	8,893
Adjustments for -	
Depreciation and amortization expense	5,571
Interest income	(617)
Dividend income	0
Interest expense	661
Net loss/ (gain) on sale of current investments	(977)
Employee stock compensation expense	5
Revenue equalization	(223)
Rent equalization	67
Provision for doubtful debts and advances (net)	46
Provision for capital work in progress (net)	13
Fixed assets written off	0
Loss/ (profit) on sale of fixed assets (net)	(332)
Operating profit before working capital changes	**13,107**
Increase / (Decrease) in trade payables	107
Increase / (Decrease) in other current liabilities	2,595
Increase / (Decrease) in short-term provisions	9
Increase / (Decrease) in other long-term liabilities	59
Increase / (Decrease) in long-term provisions	29
(Increase) / Decrease in trade receivables	(219)
(Increase) / Decrease in short-term loans and advances	(4)
(Increase) / Decrease in other current assets	63
(Increase) / Decrease in long-term loans and advances	(88)
(Increase) / Decrease in other non-current assets	(319)
Cash generated from operations	**15,339**
Income tax paid (net of refunds)	(1,751)
Net Cash flow from operating activities (A)	**13,588**
Cash flows from investing activities	
Purchase of tangible assets	(5,064)
Purchase of intangible assets	0
Proceeds from sale of fixed assets	410
Investments in bank deposits (having original maturity of more than three months)	(14,267)
Purchase of investments	(987)
Proceeds from sale of investments	18,906
Interest received	255
Dividend received	0
Net Cash flow (used in) investing activities (B)	**(747)**
Cash flows from financing activities	
Proceeds from exercise of stock options	278
Repayment of borrowings	(7,416)
Proceeds from borrowings	4,826
Interest paid	(639)
Loan origination fee paid	2
Dividend paid	0
Tax on dividend paid	(841)
Net Cash flow (used in) financing activities (C)	**(3,790)**
Net (decrease) / increase in cash and cash equivalents during the period (A+B+C)	**9,051**
Cash and cash equivalents at the beginning of the period	**285**
Cash and cash equivalents at the end of the period	**9,336**

Contd…

Contd…

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
Cash and cash equivalents	
Balance with scheduled banks:	
Current account	186
Cheques in hand	66
Deposits with original maturity of less than three months	9,084
Total cash and cash equivalents	**9,336**
Other bank balances	
Deposit more than three months but less than twelve months	16,446
Total cash and bank balances	**25,782**

7.2 Schedules to Financial Statements

7.2.1 Schedule of Revenue from Operations

Amount in Rs mn

Particulars	Quarter Ended	
	Jun 30, 2015	Jun 30, 2014
Rent	18,854	17,271
Energy and other reimbursements	11,303	11,156
Revenue	**30,157**	**28,427**

7.2.2 Schedule of Operating Expenses

Amount in Rs mn

Particulars	Quarter Ended	
	Jun 30, 2015	Jun 30, 2014
Power and fuel	10,733	10,566
Rent	2,556	2,255
Employee benefits expenses	1,017	973
Repair and maintenance expenses	2,296	2,260
Other expenses	**534**	**522**
- Other network expenses	41	109
- Others	493	413
Operating Expenses	**17,136**	**16,576**

7.2.3Schedule of Depreciation & Amortization

Amount in Rs mn

Particulars	Quarter Ended	
	Jun 30, 2015	Jun 30, 2014
Depreciation of tangible assets	5,538	5,232
Amortization of intangible assets	33	21
Depreciation and Amortization	**5,571**	**5,253**

7.2.4Schedule of Finance Cost

Amount in Rs mn

Particulars	Quarter Ended	
	Jun 30, 2015	Jun 30, 2014
Interest	661	775
Finance Charges	4	9
Finance cost	**665**	**784**

7.3 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 IGAAP, 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 are shown below.

7.3.1 Reconciliation of Non- GAAP financial information based on IGAAP

a) Reconciliation of Total Income to Revenue

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
Total Income to Revenue	
Total Income as per IGAAP	**32,315**
Less: Other Income	2,158
Revenue	**30,157**

b) Reconciliation of EBITDA (Including Other Income) to EBITDA

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
EBITDA (Incl. Other Income) to EBITDA	
EBITDA (Incl. Other Income) as per IGAAP	**15,179**
Less: Other Income	2,158
EBITDA	**13,021**

c) Reconciliation of EBIT (Including Other Income) to EBIT

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
EBIT (Incl. Other Income) to EBIT	
EBIT (Incl. Other Income)	**9,558**
Less: Other Income	2,158
EBIT	**7,400**

d) Derivation of Operating Free Cash Flow from EBITDA

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
EBITDA to Operating Free Cash Flow	
EBITDA	**13,021**
Less: Capex	5,037
Less: Revenue Equalisation	223
Add: Lease Rent Equalisation	67
Operating Free Cash Flow	**7,828**

e) Derivation of Cash Profit from Operations from Profit before tax

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
Profit before tax to Cash Profit from Operations	
Profit before tax as per IGAAP	**8,893**
Add: Depreciation and Amortization	5,571
Add: Charity & Donation	50
Less: Other Income	2,158
Less : Revenue Equalisation	223
Add : Lease Rent Equalisation	67
Cash Profit from Operations	**12,200**

f) Derivation of Adjusted Fund from Operations (AFFO) from EBITDA

Amount in Rs mn

Particulars	Quarter Ended
	Jun 30, 2015
EBITDA to Adjusted Fund From Operations	
EBITDA	**13,021**
Less: Maintenance & General Corporate Capex	1,426
Less: Revenue Equalisation	223
Add: Lease Rent Equalisation	67
Adjusted Fund From Operations(AFFO)	**11,439**

g) Calculation of Net Debt / (Net Cash)[1]

Amount in Rs mn

Particulars	As at Jun 30, 2015	As at Mar 31, 2015
	Consolidated	Consolidated
Total Debt	23,232	25,822
Less: Cash and Cash Equivalents & Current and non-current Investments (including fixed deposits)	74,319	67,927
Add:Unpaid dividend declared & adjusted in equity	14,815	14,815
Net Debt / (Net Cash)	**(36,272)**	**(27,290)**

1. Refer Glossary for definition of net debts/(net cash).

.

h) Calculation of Capital Employed

Amount in Rs mn

Particulars	As at Jun 30, 2015	As at Mar 31, 2015
	Consolidated	Consolidated
Shareholder's Fund	175,714	170,200
Add:Net Debt / (Net Cash)	(36,272)	(27,290)
Capital Employed	**139,442**	**142,910**

Section 8

TRENDS AND RATIOS

8.1 Based on Statement of Operations

Parameters	For the Quarter Ended[3]				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Revenue[1]	30,157	29,467	29,488	29,301	28,427
Energy Cost	10,733	9,835	10,540	11,009	10,566
Other Operating Expenses	6,403	6,337	6,187	6,091	6,010
EBITDA[1]	13,021	13,295	12,761	12,201	11,851
EBITDA / Total revenues [2]	*43.2%*	*45.1%*	*43.3%*	*41.6%*	*41.7%*
EBIT[1]	7,400	7,761	7,165	6,731	6,537
Other Income	2,158	1,698	1,216	1,137	1,172
Finance cost	665	658	696	764	784
Cash profit from operations[1]	12,200	12,457	11,791	11,086	10,483
Profit before tax	8,893	8,801	7,685	7,104	6,925
Income tax expense	3,136	3,226	2,616	2,452	2,297
Profit after tax	5,757	5,575	5,069	4,652	4,628
Capex	5,037	5,651	5,758	4,601	4,798
Operating Free Cash Flow[1]	7,828	7,464	6,729	7,249	6,469
Adjusted Fund From Operations(AFFO)[1]	11,439	11,798	11,422	10,607	9,776
Cumulative Investments	277,622	275,079	274,325	271,664	269,207

	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Revenue[2]					
Energy Cost	35.6%	33.4%	35.7%	37.6%	37.2%
Other Operating Expenses	21.2%	21.5%	21.0%	20.8%	21.1%
EBITDA	43.2%	45.1%	43.3%	41.6%	41.7%
Profit before tax	29.5%	29.9%	26.1%	24.2%	24.4%
Profit after tax	19.1%	18.9%	17.2%	15.9%	16.3%

1. Revenue, EBITDA, EBIT, Cash profit from operations, Operating free cash flow & AFFO are excluding other income.
2. Energy cost, other operating exp., EBITDA, profit before tax and profit after tax margin have been computed on revenue excluding other income.
3. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications.

8.2 Based on Statement of Financial Position

Parameters	As at				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Equity Shareholder's Fund	175,714	170,200	180,816	176,403	182,749
Net Debt / (Net Cash)[1]	(36,272)	(27,290)	(39,469)	(33,222)	(38,589)
Capital Employed = Equity Shareholders Fund + Net Debt / (Net Cash)	139,442	142,910	141,347	143,181	144,160

Parameters	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Return on Equity	11.7%	11.4%	10.4%	10.1%	8.9%
Return on Capital Employed (Pre Tax)	20.5%	19.4%	18.5%	17.4%	16.3%
Net Debt / (Net Cash) to EBITDA (LTM)	(0.71)	(0.54)	(0.82)	(0.71)	(0.85)
Asset Turnover ratio	53.7%	51.5%	50.4%	49.8%	47.1%
Interest Coverage ratio (times)	18.43	17.27	15.77	14.83	12.18
Net debt / (Net Cash) to Funded Equity (Times)	(0.21)	(0.16)	(0.22)	(0.19)	(0.21)
Per share data (for the period)					
Earnings Per Share - Basic (in Rs)	3.038	2.947	2.682	2.461	2.449
Earnings Per Share - Diluted (in Rs)	3.037	2.944	2.677	2.457	2.445
Book Value Per Equity Share (in Rs)	92.7	89.9	95.6	93.3	96.7
Market Capitalization (Rs. bn)	848	729	637	557	483
Enterprise Value (Rs. bn)	811	702	597	524	444

1. Refer Glossary for definition of net debts/(net cash).

8.3 Operational Performance

8.3.1 Bharti Infratel Consol

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Towers[1]	Nos	86,397	85,892	85,064	84,303	83,778
Total Co-locations[1]	Nos	185,215	182,294	178,748	174,270	170,320
Key Indicators						
Average Sharing Factor	Times	2.13	2.11	2.08	2.05	2.02
Closing Sharing Factor	Times	2.14	2.12	2.10	2.07	2.03
Sharing Revenue per Tower p.m.	Rs	72,955	71,828	70,805	69,740	68,886
Sharing Revenue per Sharing Operator p.m.	Rs	34,201	34,011	33,970	34,016	34,113

1. Represents the sum of the numbers of towers (and the co-locations thereof) owned and operated by Bharti Infratel and 42% of the number of towers (and the co-locations thereof) owned & operated by Indus Towers.

8.3.2 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Towers	Nos	37,486	37,196	36,747	36,381	36,112
Total Co-locations	Nos	77,292	75,819	74,331	72,597	70,544
Key Indicators						
Average Sharing Factor	Times	2.05	2.03	2.01	1.97	1.94
Closing Sharing Factor	Times	2.06	2.04	2.02	2.00	1.95
Sharing Revenue per Tower p.m.	Rs	75,270	74,382	73,825	73,202	72,159
Sharing Revenue per Sharing Operator p.m.	Rs	36,714	36,630	36,744	37,073	37,204

8.3.3 Indus Towers

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Towers	Nos	116,454	115,942	115,040	114,101	113,490
Total Co-locations	Nos	256,960	253,513	248,611	242,079	237,562
Key Indicators						
Average Sharing Factor	Times	2.20	2.17	2.14	2.11	2.08
Closing Sharing Factor	Times	2.21	2.19	2.16	2.12	2.09
Sharing Revenue per Tower p.m.	Rs	71,311	70,370	68,802	67,554	66,706
Sharing Revenue per Sharing Operator p.m.	Rs	32,465	32,371	32,129	32,055	32,075

8.3.4 Human Resource Analysis

8.3.4.1 Bharti Infratel Consol

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total On roll Employees[1]	Nos	2,152	2,176	2,168	2,148	2,107
Number of Towers per employee	Nos	40	39	39	39	40
Personnel Cost per employee per month	Rs	156,650	158,523	154,609	155,125	152,889
Revenue per employee per month	Rs	4,645,127	4,521,961	4,554,560	4,591,244	4,466,768

1.Total On Roll Employees include proportionate consolidation of 42% of Indus Towers Employees.

8.3.4.2 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total On roll Employees	Nos	1,216	1,249	1,254	1,234	1,210
Number of Towers per employee	Nos	31	30	29	29	30
Personnel Cost per employee per month	Rs	173,901	167,000	165,059	163,121	164,889
Revenue per employee per month	Rs	3,752,535	3,561,859	3,642,551	3,735,134	3,617,446

8.3.4.3 Indus Towers

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total On roll Employees	Nos	2,229	2,207	2,177	2,176	2,135
Number of Towers per employee	Nos	52	53	53	52	53
Personnel Cost per employee per month	Rs	133,655	146,844	140,262	144,613	136,734
Revenue per employee per month	Rs	5,829,320	5,830,014	5,798,461	5,749,351	5,616,385

Note: Indus operates on outsourced operations & maintenance model in certain geographical territories wherein the associated personnel cost is recorded as part of repair & maintenance and other expenses. Hence, the related human resources key performance indicators are not strictly comparable between Bharti Infratel Standalone and Indus.

8.4 Energy Cost Analysis

Parameters	Unit	For the Quarter Ended				
		Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Energy Cost Indicators						
Energy Cost Per Tower per month	Rs	41,531	38,353	41,488	43,665	42,143
Energy Cost Per Colocation per month	Rs	19,470	18,160	19,905	21,299	20,870

8.5 Other Than Energy Cost Analysis

Parameters	Unit	For the Quarter Ended				
		Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Other Than Energy Cost						
Cost Per Tower per month	Rs	24,776	24,712	24,353	24,159	23,971
Cost per Colocation per month	Rs	11,615	11,701	11,684	11,784	11,871

8.6 Revenue and Cost Composition

Parameters	Unit	For the Quarter Ended				
		Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Revenue Composition						
Service Revenue	%	63%	63%	61%	60%	61%
Energy and other reimbursements	%	37%	37%	39%	40%	39%
Total		**100%**	**100%**	**100%**	**100%**	**100%**
Opex Composition						
Power and fuel	%	63%	61%	63%	64%	64%
Rent	%	15%	15%	14%	14%	14%
Employee benefits expenses	%	6%	6%	6%	6%	6%
Repair and maintenance expenses	%	13%	14%	14%	13%	14%
Other expenses	%	**3%**	**3%**	**3%**	**3%**	**3%**
- Other network expenses	%	0%	1%	1%	1%	1%
- Others	%	3%	2%	2%	3%	2%
Total		**100%**	**100%**	**100%**	**100%**	**100%**

Section 9

Basis of Preparation and Key Accounting Policies as per IGAAP

Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention on the accrual basis of accounting and reporting requirements of Accounting Standard (‘AS-21’) ‘Consolidated Financial Statements’ and (‘AS-27’) ‘Financial Reporting of Interest in Joint Venture’ notified under section 133 of the Companies Act 2013 (the ‘Act’), read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies as presented in paragraph 2.1 below have been consistently applied by the Group and are consistent with those used in the previous periods.

These financial statements represent consolidated accounts of the Company and its subsidiary and joint venture as follows:

Entity	Country of Incorporation	Principal Service	Relationship	Shareholding
Indus Towers Limited	India	Passive Infrastructure Services	Joint Venture	42%
Bharti Infratel Services Limited	India	Operation & Management Services	Subsidiary	100%

The Group’s interests in jointly controlled entities are accounted for by proportionate consolidation. The Group combines its share of the joint ventures’ individual income, expenses, assets and liabilities on a line-by-line basis with similar items as well as disclosures in the Group’s financial statements.

Inter-Company balances have been eliminated on consolidation for the subsidiary. Elimination of transactions between joint venture and the Company is done to the extent of proportionate share. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Key Accounting Policies

1. Revenue recognition and receivables

Revenue is recognized to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured.

Revenues include revenue from the use of sites and energy charges received from sharing operators. Revenue is recognized as and when services are rendered. If the payment terms in the service agreements include fixed escalations, the effect of such increases is recognized on a straight-line basis over the fixed, non-cancellable term of the agreement, as applicable.

Unbilled receivables represent revenues recognized from the last invoice raised to a sharing operator to the period end. These are billed in subsequent periods based on the terms of agreement with the sharing operators. The Group collects service tax on behalf of the Government of India and therefore, it is not an economic benefit flowing to the group and is excluded from revenue.

Interest and dividends

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss. Dividend income is recognized when our right to receive dividend is established by the reporting date.

Provision for doubtful debts

We provide for amounts outstanding for more than 105 days from the invoice date in case of site sharing debtors other than from the parent group, or in specific cases where management is of the view that the amounts for certain customers are not recoverable.

2. Use of estimates

The preparation of consolidated financial statements is in conformity with generally accepted accounting principles (Indian GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the interim consolidated financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates.

3. Tangible Fixed Assets

Fixed assets are stated at cost of acquisition, except for assets acquired under the Scheme of Arrangement, which are stated at fair values at the date of acquisition in accordance with the scheme, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises cost of acquisition, including taxes and duties (net of

CENVAT credit), freight and other incidental expenses relating to acquisition and installation. Site restoration cost obligations arising from site acquisiton are capitalized when it is probable than an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Subsequent expenditure related to a fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains and losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

4. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Software is capitalized at the amounts paid to acquire the respective license for use and is amortized over the period of licence, generally not exceeding three years.

Amortization is recognized in statement of profit and loss on a straight-line basis over the estimated useful economic lives of intangible assets from the date they are available for use. The amortization period and the amortization method are reviewed at each balance sheet date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

5. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Group has used the following lives to provide depreciation on its fixed assets:

Asset Categories	Useful lives
Plant and machinery	3 to 20 years
Furniture and fixtures	5 years
Vehicles	5 years
Office equipments	2 years/ 5 years
Computers	3 to 5 years
Leasehold improvements	Period of lease or useful life, whichever is less

The existing useful lives of fixed assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 and the Group believes that this is the best estimate on the basis of technical evaluation and actual usage period.

The existing realizable values of fixed assets are different from 5% as prescribed under Part C of Schedule II to the Companies Act, 2013 and the Group believes that this is the best estimate on the basis of actual realization.

The site restoration cost obligation capitalized as a part of plant and machinery is depreciated over the useful life of the related asset.

6. Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in the statement of profit and loss under the caption depreciation and amortization expense for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets' fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

7. Retirement and other employee benefits

Short term employee benefits are recognized in the year during which the services have been rendered.

All employees of the Group are entitled to receive benefits under the provident fund, which is a defined contribution plan. Contribution to provident fund is recognized as and when services are rendered. Both the employee and the employer make monthly contributions to the plan at a predetermined rate of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Group are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

The Group's contributions to both these schemes are expensed in the statement of profit and loss. The Group has no further obligations under these plans beyond its monthly contributions.

The Group provides for gratuity obligations through a defined benefit retirement plan covering all employees. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each reporting period end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses are recognized in full in the year in which they occur in the statement of profit and loss.

The Group provides other benefits in the form of compensated absences and long term service awards. The employees of the Group are entitled to compensated absences based on the unavailed leave balance. The Group records liability based on actuarial valuation computed under projected unit credit method. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave encashment liability as a current liability in the balance sheet, since the Company does not have an unconditional right to defer its settlement for more than 12 months after the reporting date.

Under the long term service award plan, a lump sum payment is made to an employee on completion of specified years of service. The Group records the liability based on actuarial valuation computed under projected unit credit method. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

8. Provisions

A provision is recognized when there is a present obligation as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

9. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

10. Leases

Where the Group is lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased asset, are capitalized at the inception of the lease term at the lower of the fair value of the leased asset and present value of minimum lease payments. Lease payments are apportioned between the 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 as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset and the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the non-cancellable lease term.

Where the Group is lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the non cancellable lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss.

11. Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 asset. All other borrowing costs are expensed in the period they occur.

12. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

13. Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on settlement of monetary items or on restatement of the Group's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous consolidated financial statements, are taken to the statement of profit and loss.

14. Income taxes

Tax expense comprises current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to statement of the profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statements of profit and loss and shown as “MAT Credit Entitlement”. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

15. Employee stock compensation cost

Employees of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for options to buy equity instruments (equity-settled transactions).

In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the cost of equity-settled transactions is measured using the Black-Scholes / Lattice Valuation option pricing model and the fair value is recognized as an expense over the period in which the options vest, on a straight line basis, together with a corresponding increase in the “Stock options outstanding account” in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of options to buy equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

For cash-settled share-based payments, a liability is recognized for the services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is re-measured, with any changes in fair value recognized in the Consolidated Statement of Profit and Loss for the year a corresponding increase in liabilities.

16. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

17. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Section 10

GLOSSARY

10.1 Company Related Terms

4 Overlapping Circles	Represents the telecommunication circles of Haryana, Rajasthan, Uttar Pradesh (East) and Uttar Pradesh (West) wherein Bharti Infratel and Indus Towers have overlapping operations. Bharti Infratel is not permitted to roll out any new towers in these telecommunications Circles, although it continues to own and operate its existing telecommunications towers in these Circles, and add additional sharing operators to these towers. New tower rollout in these telecommunication circles is done by Indus.
7 Circles	Represents the telecommunications circles of Bihar, Madhya Pradesh and Chhattisgarh, Orissa, Jammu and Kashmir, Himachal Pradesh, Assam and North East states wherein Bharti Infratel operates on exclusive basis.
11 circles	Represents the 7 telecommunications circles of Bihar, Madhya Pradesh and Chhattisgarh, Orissa, Jammu and Kashmir, Himachal Pradesh, Assam and North East states wherein Bharti Infratel operates on exclusive basis and the 4 common circles of Haryana, Rajasthan, Uttar Pradesh (East) and Uttar Pradesh (West) wherein Bharti Infratel and Indus Towers have overlapping operations.
15 circles	Represents the 11 telecommunication circles of Andhra Pradesh, Delhi, Gujarat, Karnataka, Kerala, Kolkata, Maharashtra & Goa, Mumbai, Punjab, Tamil Nadu (including Chennai) and West Bengal wherein Indus operates on exclusive basis and the 4 common telecommunication circles of Haryana, Rajasthan, Uttar Pradesh (East) and Uttar Pradesh (West) wherein Bharti Infratel and Indus Towers have overlapping operations.
Asset Turnover	Asset Turnover is defined as total revenues (revenues (annualized for 12 months), 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 opening and closing assets of the relevant period.
Adjusted Fund from Operations (AFFO)	It is not an IGAAP measure and is defined as EBITDA adjusted for Maintenance and General Corporate Capex, revenue equalization and lease rent equalization (which represents straight lining of revenue and expense).
Average Co-locations	Average co-locations are derived by computing the average of the Opening and Closing co-locations at the end of relevant period.
Average Sharing Factor	Average Sharing factor is calculated as the average of the opening and closing number of co-locations divided by average of the opening and closing number of towers for the relevant period.
Average Towers	Average towers are derived by computing the average of the opening and closing towers at the end of relevant period.
BISL	Bharti Infratel Services Limited
BIVL	Bharti Infratel Ventures Limited
Bn	Billion
Book Value Per Equity Share	Total shareholder's equity as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period.
Capex	It includes investment in gross fixed assets and capital work in progress for the relevant period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity share holders and net debt / (net cash).
Cash Profit From Operations	It is not an IGAAP measure and is defined as operating income adjusted for depreciation and amortization, revenue equalization, lease rent equalizations and finance costs.
Circle(s)	22 service areas that the Indian telecommunications market has been segregated into
Closing Sharing Factor	Closing Sharing factor is calculated as the closing number of co-locations divided by closing number of towers as at the end of relevant period.
Co-locations	Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower; 'co-location' refers to that single operator. Co-locations as referred to are revenue-generating co-locations.
Consolidated Financial statements	The Consolidated financial statements of the company till FY 2012-13 represent the financials of Bharti Infratel Ltd Standalone taken together with its wholly owned subsidiary Bharti Infratel Ventures Ltd and Bharti Infratel's 42% equity interest in Indus Towers Ltd. accounted for by proportionate consolidation.

	Consequent to Indus Merger, the financial statements of Indus have been prepared after giving effect to the Merger Scheme. Accordingly the Consolidated Financial Results of the Company from quarter ended June 2013 and onwards represent the financials of Bharti Infratel Ltd Standalone taken together with its 42% equity interest in Indus Towers Ltd. accounted for by proportionate consolidation and consolidating the new subsidiary Bharti Infratel Services Ltd.
Cumulative Investments	Cumulative Investments comprises of gross fixed assets (including Capital Work In Progress).
Earnings Per Share (EPS)-Basic	It is computed by dividing net profit or loss attributable for the period to equity shareholders by the weighted average number of equity shares outstanding during the period.
Earnings Per Share (EPS)- Diluted	Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period for the effects of all dilutive potential equity shares.
EBIT	Earnings before interest, taxation excluding other income for the relevant period.
EBIT (Including Other Income)	Earnings before interest, taxation including other income for the relevant period.
EBITDA	Earnings before interest, taxation, depreciation and amortization and charity and donation excluding other income for the relevant period. It is defined as operating income and does not include depreciation and amortization expense, finance cost and tax expense.
EBITDA (Including Other Income)	Earnings before interest, taxation, depreciation and amortization and charity and donation including other income for the relevant period.
Enterprise Value (EV)	Calculated as sum of Market Capitalization plus Net Debt / (Net Cash) as at the end of the relevant period.
EV / EBITDA (times)(LTM)	Computed by dividing Enterprise Value as at the end of the relevant period (EV) by EBITDA for the preceding (last) 12 months from the end of the relevant period.
Future Minimum Lease Payment Receivable	The Company has entered into long term non-cancellable agreements to provide infrastructure services to telecom operators. Future Minimum Lease Payment Receivable represents minimum amounts receivable in future under the above long term non-cancellable agreements.
GAAP	Generally Accepted Accounting Principle
IGAAP	Indian Generally Accepted Accounting Principle
Incremental Return on Capital Employed	For the full year computations, Incremental Return on Capital Employed is computed by dividing Incremental EBIT during the relevant periods by Incremental Average Capital Employed during the corresponding periods. For the quarterly computation, it is computed by dividing the incremental EBIT (calculated as difference between EBIT of the last 12 months from the end of relevant reporting period and EBIT of 12 months immediately preceding the last 12 months from the end of relevant period) with the incremental average capital employed of the corresponding periods
Incremental Return on Equity	For the full year computations, Incremental Return on Equity is calculated by dividing Incremental Profit after Tax during the relevant periods by Incremental Average Shareholder’s Equity during the corresponding periods. For the quarterly computation, it is computed by dividing the incremental PAT (calculated as difference between PAT of the last 12 months from the end of relevant reporting period and PAT of 12 months immediately preceding the last 12 months from the end of relevant period) with the incremental average shareholder's Equity of the corresponding periods
Indus Merger	During the quarter ended June 30, 2013, the Scheme of Arrangement (Scheme) under Section 391 to 394 of the Companies Act, 1956 for transfer of all assets and liabilities as defined in the Scheme from Bharti Infratel Ventures Limited (BIVL), wholly owned subsidiary of the Company, Vodafone Infrastructure Limited (formerly known as Vodafone Essar Infrastructure Limited), and Idea Cellular Tower Infrastructure Limited (collectively referred to as ‘The Transferor companies’) to Indus Towers Limited (Indus) was sanctioned by the Hon’ble High Court of Delhi vide its order dated on April 18, 2013 subject to the final order in another appeal pending before the Division Bench of Delhi High Court and any other orders in any further proceedings thereafter. The Scheme had become operative from June 11, 2013 upon filing of certified copy of the order with the Registrar of Companies with an appointed date of April 1, 2009 i.e. effective date of scheme and accordingly effective June 11, 2013 the transferor companies have ceased to exist and have become part of Indus Towers Ltd. Pursuant to the Indus Merger the IRU agreements between the Transferor Companies and Transferee Company Ceases to exist.

Indus Consolidation	Indus Consolidation represents consolidation of Bharti Infratel's 42% proportionate shareholding in Indus Towers Ltd and 100% of BIVL till FY end 31st Mar 2013 net of IRU eliminations. W.e.f quarter ending June'13 and onwards Indus Consolidation represents consolidation of Bharti Infratel's 42% proportionate shareholding in Indus Towers Ltd.
Intangibles	Comprises of acquisition cost of software.
∞	Not ascertainable (infinite)
Interest Coverage Ratio(LTM)	It is computed by dividing EBITDA for the preceding (last) 12 months from the end of relevant period by interest on borrowing for the preceding (last) 12 months.
IRU	Indefeasible right to use
Lease Rent Equalization	It represents the effect of fixed escalations (as per the terms of lease agreements with landlords) recognized on straight line basis over the fixed, non-cancellable term of the agreement, as applicable
LTM	Last Twelve months
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (NSE) as at end of the period.
Mn	Million
MSA	Master Service Agreement
Maintenance & General Corporate Capex	Represents the capital expenditure undertaken by the company for general maintenance, upkeep and replacement of equipments installed at the Towers which is undertaken on the end of their useful life as well as General Corporate related capital expenditure such as on office/ facilities and information technology.
Net Debt / (Net Cash)	It is not an IGAAP measure and is defined as the long-term borrowing, short-term borrowings and current portion of long-term borrowings minus cash and cash equivalents, current and non-current investments, fixed deposits included in Other non-current assets with maturity for more than 12 months and short term loan to the parent company adjusted for unpaid dividend declared and adjusted in equity as at the end of the relevant period.
Net Debt / (Net Cash) to EBITDA (LTM)	It is computed by dividing net debt / (net cash) as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
Net Debt / (Net Cash) to Funded Equity Ratio	It is computed by dividing net debt / (net cash) as at the end of the relevant period by Equity attributable to equity share holders as at the end of the relevant period.
Operating Free Cash flow	It is not an IGAAP measure and is defined as EBITDA adjusted for Capex , revenue equalization and lease rent equalization.
PE Ratio	Price to Earnings ratio is calculated as closing market price (NSE) as at the end of relevant period, divided by diluted annual earnings per share. Annual Diluted Earnings per share is calculated by adding the preceding last four quarters diluted Earnings per share
ROC	Registrar of Companies
Return On Capital Employed (ROCE) Pre Tax - (LTM)	For the full year computations, ROCE is computed by dividing the sum of EBIT for the period by average (of opening and closing) capital employed. For the quarterly computations, it is computed by dividing sum of EBIT for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) capital employed during the relevant periods.
Return On Equity (ROE)-(LTM)	For the full year computations, ROE is computed by dividing the sum of Profit after tax for the period by average (of opening and closing) equity shareholders funds. For the quarterly computations, it is computed by dividing sum of Profit after tax for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) equity shareholders funds during the relevant periods.
Revenue per Employee per month	It is computed by dividing the Total Revenues (net of inter-segment eliminations) by the average number of on – roll employees in the business unit and number of months in the relevant period.
Revenue Equalization	It represents the effect of fixed escalations (as per the terms of service agreements with customers) recognized on straight line basis over the fixed, non-cancellable term of the agreement, as applicable.
SHA	Shareholders Agreement

Sharing Operator	A party granted access to a tower and who has installed active infrastructure at the tower
Sharing Revenue	It represents service revenue accrued during the relevant period and includes revenue equalization net of service level credits.
Sharing revenue per Sharing Operator per month	Is calculated on the basis of sharing revenues accrued during the relevant period divided by the average number of co-locations for the period, determined on the basis of opening and closing number of co-locations for the relevant period.
Sharing revenue per Tower per month	Is calculated on the basis of sharing revenues accrued during the relevant period divided by the average number of towers for the period, determined on the basis of opening and closing number of towers for the relevant period.
Towers	Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating towers
Tower and Related Infrastructure	Infrastructure Located at site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works
CSR	Corporate social responsibility

10.2 Regulatory Terms

BSE	The Bombay Stock Exchange Limited
DoT	Department of Telecommunications
IP1	Infrastructure Provider Category 1
NSE	National Stock Exchange
SEBI	Securities and Exchange Board of India
TEC	Telecom Engineering Center
TRAI	Telecom Regulatory Authority of India

10.3 Others (Industry) Terms

BTS	Base Transceiver Station
CII	Confederation of Indian Industry
DG	Diesel Generator
EMF	Electro Magnetic Field
FCU	Free Cooling Units
GBT	Ground Based Towers
IPMS	Integrated Power Management Systems
PAN	Presence Across Nation
PPC	Plug and Play Cabinet
RESCO	Renewable Energy Service Company
RET	Renewable Energy Technology
RTT	Roof Top Towers
TAIPA	Tower and Infrastructure Providers Association

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