
Quarterly report on the results for the fourth quarter and full year ended Mar 31, 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



network that
reaches you
anytime anywhere!

At **Bharti Infratel**, we have reached remote locations in tough terrains. Our towers might be off the map, but we have made sure, our network reaches the farthest parts of the country. With Pan India presence and a footprint of more than 85,000 towers, we reach anytime and anywhere.

BUILDING AND SHARING VITAL INFRASTRUCTURE www.bharti-infratel.com

April 27, 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 25

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.

TABLE OF CONTENTS

Section 1	Bharti Infratel – Performance at a glance	4
Section 2	An Overview	5
Section 3	Financial Highlights as per IGAAP	
3.1	Summary of Consolidated Financial Statements	9
3.2	Summary of Group Consolidation – Statement of Operations	10
3.3	Summary of Group Consolidation – Statement of Financial Position	12
Section 4	Operating Highlights	13
Section 5	Management Discussion & Analysis	15
5.1	Key Company Developments	15
5.2	Results of Operations	16
5.3	Three Line Graph	18
Section 6	Stock Market Highlights	19
Section 7	Detailed Financial and Related Information	21
Section 8	Trends & Ratios	27
Section 9	Basis of Preparation and Key Accounting Policies as per IGAAP	32
Section 10	Glossary	37

Section 1

BHARTI INFRATEL – PERFORMANCE AT A GLANCE

Particulars	UNITS	Full Year Ended ⁶			Quarter Ended ⁶				
		2013	2014	2015	Mar 2014	Jun 2014	Sep 2014	Dec 2014	Mar 2015
Consolidated Operating Highlights									
Total Towers	Nos	82,083	83,368	85,892	83,368	83,778	84,303	85,064	85,892
Total Co-locations	Nos	156,608	167,202	182,294	167,202	170,320	174,270	178,748	182,294
Average Sharing factor	Times	1.90	1.96	2.06	1.99	2.02	2.05	2.08	2.11
Closing Sharing factor	Times	1.91	2.01	2.12	2.01	2.03	2.07	2.10	2.12
Sharing Revenue per Tower per month	Rs	66,034	66,273	70,169	67,942	68,886	69,740	70,805	71,828
Sharing Revenue per Sharing Operator per month	Rs	34,717	33,862	33,983	34,155	34,113	34,016	33,970	34,011
Consolidated Financials									
Revenue ^{1&7}	Rs Mn	102,720	108,267	116,683	27,899	28,427	29,301	29,488	29,467
EBITDA ¹	Rs Mn	38,103	44,118	50,108	11,598	11,851	12,201	12,761	13,295
EBIT ¹	Rs Mn	15,852	22,742	28,194	6,373	6,537	6,731	7,165	7,761
Cash profit from operations ¹	Rs Mn	32,036	37,742	45,817	10,193	10,483	11,086	11,791	12,457
Profit before Tax	Rs Mn	15,307	23,232	30,515	6,992	6,925	7,104	7,685	8,801
Profit after Tax	Rs Mn	10,025	15,179	19,924	4,724	4,628	4,652	5,069	5,575
Capex	Rs Mn	21,470	15,268	20,809	5,631	4,798	4,601	5,758	5,651
-of Which Maintenance & General Corporate Capex ⁵	Rs Mn	3,916	4,071	5,116	1,161	1,491	1,243	1,065	1,317
Operating Free Cash Flow ^{1&4}	Rs Mn	17,833	26,471	27,910	5,388	6,469	7,249	6,729	7,464
Adjusted Fund From Operations (AFFO) ^{1&5}	Rs Mn	32,064	37,668	43,603	9,858	9,776	10,607	11,422	11,798
Total Capital Employed	Rs Mn	151,738	147,089	142,910	147,089	144,160	143,181	141,347	142,910
Net Debt / (Net Cash)	Rs Mn	(20,187)	(33,294)	(27,290)	(33,294)	(38,589)	(33,222)	(39,469)	(27,290)
Shareholder's Equity	Rs Mn	171,925	180,382	170,200	180,382	182,749	176,403	180,816	170,200
Key Ratios									
EBITDA Margin ²	%	37.1%	40.7%	42.9%	41.6%	41.7%	41.6%	43.3%	45.1%
EBIT Margin ²	%	15.4%	21.0%	24.2%	22.8%	23.0%	23.0%	24.3%	26.3%
Net Profit Margin ²	%	9.8%	14.0%	17.1%	16.9%	16.3%	15.9%	17.2%	18.9%
Net Debt / (Net Cash) to EBITDA (LTM)	Times	(0.53)	(0.75)	(0.54)	(0.75)	(0.85)	(0.71)	(0.82)	(0.54)
Interest Coverage ratio (LTM)	Times	9.66	11.04	17.27	11.04	12.18	14.83	15.77	17.27
Return on Capital Employed (LTM)	%	10.2%	15.2%	19.4%	15.2%	16.3%	17.4%	18.5%	19.4%
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%	8.6%	8.9%	10.1%	10.4%	11.4%
Incremental Return on Shareholder's Equity (LTM)	%	15.9%	29.3%	∞ ³	29.3%	26.4%	37.9%	271.4%	∞ ³
Valuation Indicators									
Market Capitalization	Rs Bn	338	384	729	384	483	557	637	729
Enterprise Value	Rs Bn	318	351	702	351	444	524	597	702
EV / EBITDA (LTM)	Times	8.34	7.96	14.01	7.96	9.77	11.16	12.34	14.01
EPS (Diluted)	Rs	5.61	8.02	10.53	2.49	2.44	2.46	2.68	2.94
PE Ratio	Times	31.89	25.37	36.57	25.37	29.81	30.82	33.45	36.57

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. Reporting for these key parameters started from year ended Mar 31, 2013.

6. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications.

7. Revenue for the full year ended Mar 31, 2013 includes uneliminated IRU income, the accrual of which discontinued post Indus Merger.

Section 2

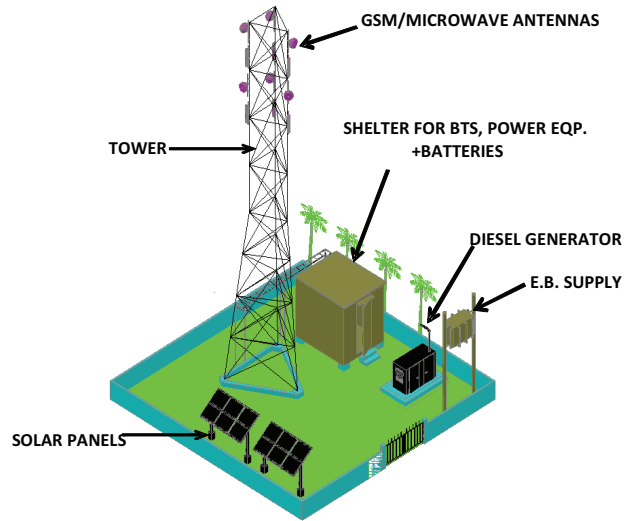
AN OVERVIEW

2.1 Industry Overview

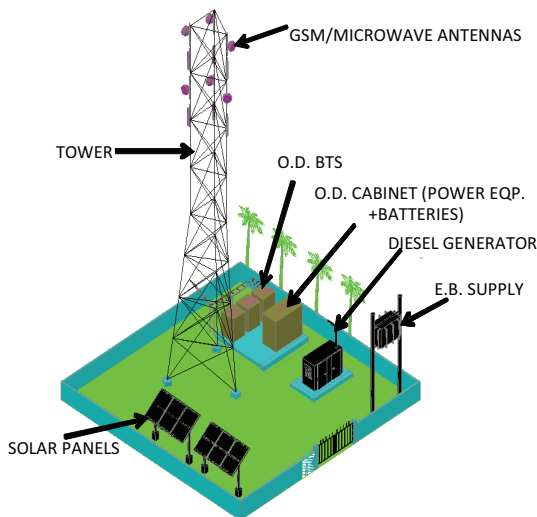
The Indian telecommunications industry is one of the most competitive globally. The focus of Indian operators in the last ten years or so has been to develop an affordable mass market telecommunications service model which allows for service availability across India's urban and rural areas at affordable 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.

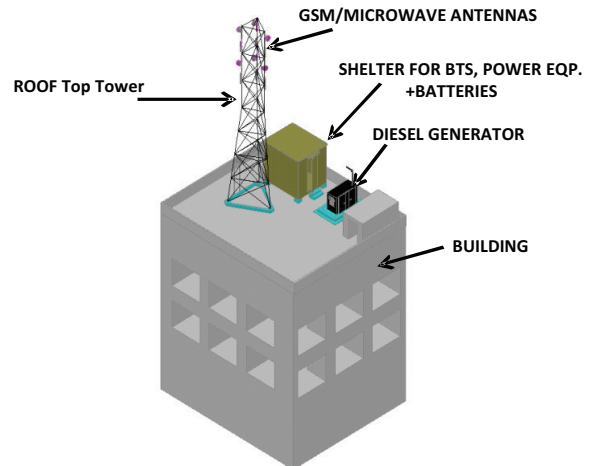
Tower companies provide the entire range of tower infrastructure that is required by wireless telecommunications service providers to offer mobile telephony services to their subscribers. Tower infrastructure refers to equipments such as towers, shelters, power regulation equipment, battery banks, diesel 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 Mar 31, 2015, Bharti Infratel owned and operated 37,196 towers with 75,819 co-locations in 11 telecommunications Circles while Indus operated 1,15,942 towers with 2,53,513 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 85,892 towers and 182,294 co-locations in India as of Mar 31, 2015.



- Bharti Infratel Circles
- Indus Towers Circles
- Overlapping Circles

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.

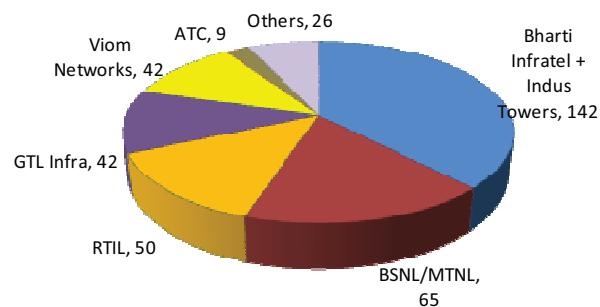
On the basis of the relationship as described above, Bharti Infratel and Indus do not compete with each other in any telecommunications Circle, they do not have any conflicts of interest in this regard and are able to work closely with each other and benefit from the synergies generated by the nationwide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

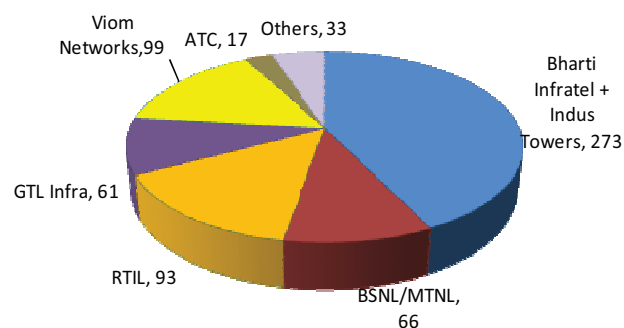
Market Share

Bharti Infratel and Indus Towers together have a market share of 37.8% as on March 31, 2012 in terms of installed tower base and in terms of co-location BTS, the

market share is 42.5% as on March 31, 2012. (Source: Analysys Mason)



Installed tower base by tower companies, '000 towers as on Mar 2012 (Source: Analysys Mason)



Co-location BTS by tower companies, '000 Co-locations as on Mar 2012 (Source: Analysys Mason)

Note:- Market share reported above is based on last independent market survey report available.

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 Mar 31, 2015 is 6.04 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 Mar 31, 2015, we operate over 2,800 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 26,500 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. 13

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 21). Also, kindly refer to section 7.3 - use of Non-GAAP financial information (Page 25) and Glossary (Page 37) for detailed definitions

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			Full Year Ended		
	Mar-15	Mar-14	Y-on-Y Growth	Mar-15	Mar-14	Y-on-Y Growth
Revenue ¹	29,467	27,899	6%	116,683	108,267	8%
EBITDA ¹	13,295	11,598	15%	50,108	44,118	14%
<i>EBITDA Margin²</i>	<i>45.1%</i>	<i>41.6%</i>		<i>42.9%</i>	<i>40.7%</i>	
EBIT ¹	7,761	6,373	22%	28,194	22,742	24%
Other Income	1,698	1,445	18%	5,223	4,487	16%
Finance cost	658	826	-20%	2,902	3,997	-27%
Profit before Tax	8,801	6,992	26%	30,515	23,232	31%
Income tax expense	3,226	2,268	42%	10,591	8,053	32%
Profit after Tax	5,575	4,724	18%	19,924	15,179	31%
Capex	5,651	5,631	0%	20,809	15,268	36%
Operating Free Cash Flow ¹	7,464	5,388	39%	27,910	26,471	5%
Adjusted Fund From Operations(AFFO) ¹	11,798	9,858	20%	43,603	37,668	16%
Cumulative Investments	275,079	267,767	3%	275,079	267,767	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	As at
	Mar 31, 2015	Mar 31, 2014
Shareholder's Fund		
Share capital	18,938	18,893
Reserves and surplus	151,262	161,489
	170,200	180,382
Non-current liabilities	50,653	63,823
Current liabilities	50,694	42,151
Total liabilities	101,347	105,974
Total Equity and liabilities	271,547	286,356
Assets		
Non-current assets	214,198	230,392
Current assets	57,349	55,964
Total assets	271,547	286,356

3.2 Summarized Statement of Group Consolidation- Statement of Operations

3.2.1 Bharti Infratel Consolidated (Quarter Ended Mar 31, 2015)

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended Mar 31, 2015			
	Infratel Standalone	Indus Consolidation ³	Eliminations	Infratel Consol ⁴
Revenue ¹	13,373	16,102	(8)	29,467
EBITDA ¹	6,259	7,036	0	13,295
<i>EBITDA Margin²</i>	46.8%	43.7%		45.1%
EBIT ¹	3,455	4,306	0	7,761
Other Income	5,387	516	(4,205)	1,698
Finance cost	11	647	0	658
Profit before Tax	8,831	4,175	(4,205)	8,801
Income tax expense	1,657	1,569	0	3,226
Profit after Tax	7,174	2,606	(4,205)	5,575
Capex	2,831	2,820	0	5,651
Operating Free Cash Flow ¹	3,222	4,242	0	7,464
Adjusted Fund From Operations(AFFO) ¹	5,251	6,547	0	11,798
Cumulative Investments	129,035	146,044	0	275,079

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 Consolidated (Full Year Ended Mar 31, 2015)

Amount in Rs mn, Except Ratios

Particulars	Full Year Ended Mar 31, 2015			
	Infratel Standalone	Indus Consolidation ³	Eliminations	Infratel Consol ⁴
Revenue ¹	53,889	62,822	(28)	116,683
EBITDA ¹	24,007	26,101	0	50,108
<i>EBITDA Margin²</i>	44.5%	41.5%		42.9%
EBIT ¹	12,718	15,476	0	28,194
Other Income	19,954	1,676	(16,407)	5,223
Finance cost	(65)	2,967	0	2,902
Profit before Tax	32,737	14,185	(16,407)	30,515
Income tax expense	5,485	5,106	0	10,591
Profit after Tax	27,252	9,079	(16,407)	19,924
Capex	10,291	10,518	0	20,809
Operating Free Cash Flow ¹	12,516	15,394	0	27,910
Adjusted Fund From Operations(AFFO) ¹	20,000	23,602	0	43,603
Cumulative Investments	129,035	146,044	0	275,079

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.

3.2.3 Bharti Infratel Standalone

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar-15	Mar-14	Y-on-Y Growth	Mar-15	Mar-14	Y-on-Y Growth
Revenue ¹	13,373	12,940	3%	53,889	49,993	8%
EBITDA ¹	6,259	5,617	11%	24,007	20,886	15%
EBITDA Margin ²	46.8%	43.4%		44.5%	41.8%	
EBIT ¹	3,455	2,957	17%	12,718	9,755	30%
Other Income ³	5,387	1,001		19,954	5,302	
Finance cost	11	(64)		(65)	91	
Profit before Tax	8,831	4,022	120%	32,737	14,966	119%
Income tax expense	1,657	1,295	28%	5,485	4,067	35%
Profit after Tax	7,174	2,727	163%	27,252	10,899	150%
Capex	2,831	2,961	-4%	10,291	7,794	32%
Operating Free Cash Flow ^{1&3}	3,222	2,257	43%	12,516	11,397	10%
Adjusted Fund From Operations(AFFO) ¹	5,251	4,551	15%	20,000	16,883	18%
Cumulative Investments	129,035	123,280	5%	129,035	123,280	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 & full year ended Mar 31, 2015 and full year ended Mar 31, 2014 includes dividend income of Rs. 4,205 Mn, Rs. 16,407 million and Rs 2,200 million respectively received from Indus Towers Ltd.

3.2.4 Indus Consolidation³

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar-15	Mar-14	Y-on-Y Growth	Mar-15	Mar-14	Y-on-Y Growth
Revenue ¹	16,102	14,965	8%	62,822	58,293	8%
EBITDA ¹	7,036	5,981	18%	26,101	23,232	12%
EBITDA Margin ²	43.7%	40.0%		41.5%	39.9%	
EBIT ¹	4,306	3,416	26%	15,476	12,987	19%
Other Income	516	444	16%	1,676	1,396	20%
Finance cost	647	890	-27%	2,967	3,917	-24%
Profit before Tax	4,175	2,970	41%	14,185	10,466	36%
Income tax expense	1,569	973	61%	5,106	3,986	28%
Profit after Tax	2,606	1,997	31%	9,079	6,480	40%
Capex	2,820	2,670	6%	10,518	7,474	41%
Operating Free Cash Flow ¹	4,242	3,131	36%	15,394	15,074	2%
Adjusted Fund From Operations(AFFO) ¹	6,547	5,306	23%	23,602	20,785	14%
Cumulative Investments	146,044	144,487	1%	146,044	144,487	1%

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 Mar 31, 2015			
	Infratel Standalone	Indus Consolidation ¹	Eliminations	Infratel Consol ²
Shareholder's Fund				
Share capital	18,938	1	(1)	18,938
Reserves and surplus	160,697	51,170	(60,605)	151,262
	179,635	51,171	(60,606)	170,200
Non-current liabilities	13,966	36,687	0	50,653
Current liabilities	28,614	22,355	(275)	50,694
Total liabilities	42,580	59,042	(275)	101,347
Total Equity and liabilities	222,215	110,213	(60,881)	271,547
Assets				
Non-current assets	173,465	101,339	(60,606)	214,198
Current assets	48,750	8,874	(275)	57,349
Total assets	222,215	110,213	(60,881)	271,547

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	Mar 31, 2015	Dec 31, 2014	Q-on-Q Growth	Mar 31, 2014	Y-on-Y Growth
Total Towers ¹	Nos	85,892	85,064	828	83,368	2,524
Total Co-locations ¹	Nos	182,294	178,748	3,546	167,202	15,092
Key Indicators						
Average Sharing Factor	Times	2.11	2.08		1.99	
Closing Sharing Factor	Times	2.12	2.10		2.01	
Sharing Revenue per Tower p.m	Rs	71,828	70,805	1.4%	67,942	5.7%
Sharing Revenue per Sharing Operator p.m	Rs	34,011	33,970	0.1%	34,155	-0.4%

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	Mar 31, 2015	Dec 31, 2014	Q-on-Q Growth	Mar 31, 2014	Y-on-Y Growth
Total Towers	Nos	37,196	36,747	449	35,905	1,291
Total Co-locations	Nos	75,819	74,331	1,488	69,137	6,682
Key Indicators						
Average Sharing Factor	Times	2.03	2.01		1.90	
Closing Sharing Factor	Times	2.04	2.02		1.93	
Sharing Revenue per Tower p.m	Rs	74,382	73,825	0.8%	71,119	4.6%
Sharing Revenue per Sharing Operator p.m	Rs	36,630	36,744	-0.3%	37,346	-1.9%

4.1.3 Indus Towers

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Q-on-Q Growth	Mar 31, 2014	Y-on-Y Growth
Total Towers	Nos	115,942	115,040	902	113,008	2,934
Total Co-locations	Nos	253,513	248,611	4,902	233,488	20,025
Key Indicators						
Average Sharing Factor	Times	2.17	2.14		2.05	
Closing Sharing Factor	Times	2.19	2.16		2.07	
Sharing Revenue per Tower p.m	Rs	70,370	68,802	2.3%	66,001	6.6%
Sharing Revenue per Sharing Operator p.m	Rs	32,371	32,129	0.8%	32,145	0.7%

4.2 Human Resource Analysis

4.2.1 Bharti Infratel Consolidated

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Q-on-Q Growth	Mar 31, 2014	Y-on-Y Growth
Total On Roll Employees ¹	Nos	2,176	2,168	8	2,136	40
Number of Towers per Employee	Nos	39	39	0.6%	39	1.1%
Personnel Cost per Employee per month	Rs	158,523	154,609	2.5%	148,761	6.6%
Revenue per Employee per month	Rs	4,521,961	4,554,560	-0.7%	4,359,532	3.7%

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

4.2.2 Bharti Infratel Standalone

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Q-on-Q Growth	Mar 31, 2014	Y-on-Y Growth
Total On Roll Employees	Nos	1,249	1,254	(5)	1,228	21
Number of Towers per Employee	Nos	30	29	1.6%	29	1.9%
Personnel Cost per Employee per month	Rs	167,000	165,059	1.2%	149,776	11.5%
Revenue per Employee per month	Rs	3,561,859	3,642,551	-2.2%	3,511,057	1.4%

4.2.3 Indus Towers

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Q-on-Q Growth	Mar 31, 2014	Y-on-Y Growth
Total On Roll Employees	Nos	2,207	2,177	30	2,162	45
Number of Towers per Employee	Nos	53	53	-0.6%	52	0.5%
Personnel Cost per Employee per month	Rs	146,844	140,262	4.7%	147,323	-0.3%
Revenue per Employee per month	Rs	5,830,014	5,798,461	0.5%	5,513,309	5.7%

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	Mar 31, 2015
Average Residual Service Contract Period	Yrs.	6.04
Minimum Lease Payment Receivable	Rs. Mn	479,866

Section 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Key Company Developments

1. Secondary Share Sale by Bharti Airtel

- a. During the quarter **Bharti Airtel Limited**, the promoter of Bharti Infratel Limited ("the Company") offered sale of 55 million shares through open markets.
- b. Offer was oversubscribed 1.42 times with a strong global interest across US, Asia and Europe. The key investors were global tower company investors, fund managers and long only funds.
- c. Total consideration received by the promoter from 3% equity off load was USD 310 million (INR 1925 Crore).
- d. Promoter's equity holding in the company is now at 71.81% vs. 74.85% holding before the offering.

2. Awards and Recognitions

The Company was conferred with following award and recognitions during the quarter.

- a. Bharti Infratel has been awarded with '**National Quality Excellence Award 2015**' for two categories - **Business Process Excellence Program & Lean Six Sigma Program** organised by World Quality Congress Forum. It is a National Level Quality Competition organised by World Quality Congress Forum of renowned quality professionals across the world.
- b. Bharti Infratel was conferred with '**Amity Telecom Excellence Award**' for being the '**Top Telecom Tower Company of the Year 2014**' by Amity Management during the 11th Annual National Telecom Seminar 'Telefocus'.

5.2 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 full year ended Mar 31, 2015

- Consolidated tower base at 85,892
- Consolidated co-locations at 182,294
- Average sharing factor at the end of the year at 2.06 (L.Y. 1.96)
- Consolidated Revenues at Rs. 116,683 Mn (up 8% Y-o-Y)
- Consolidated EBITDA at Rs. 50,108 Mn (up 14% Y-o-Y)
- Net profit at Rs. 19,924 Mn (up 31% Y-o-Y)
- Adjusted Fund From Operation (AFFO) at Rs. 43,603 Mn (up 16% Y-o-Y)
- Final dividend of Rs. 6.5/share and Full Year dividend of Rs. 11/share

Key Highlights - For the quarter ended Mar 31, 2015

- Closing sharing factor at the end of the quarter at 2.12 (L.Y. 2.01)
- Consolidated Revenues at Rs. 29,467 Mn (up 6% Y-o-Y)
- Consolidated EBITDA at Rs. 13,295 Mn (up 15% Y-o-Y)
- Net profit at Rs. 5,575 Mn (up 18% Y-o-Y)
- Adjusted Fund From Operation (AFFO) at Rs. 11,798 Mn (up 20% Y-o-Y)

5.2.1 Financial & Operational Performance

Bharti Infratel Consolidated

Full Year Ended March 31, 2015

Tower and Co-Location base & additions

As of Mar 31, 2015, Bharti Infratel owned and operated 37,196 towers with 75,819 co-locations in 11 telecommunication Circles while Indus operated 1,15,942 towers with 2,53,513 co-locations in 15 telecommunication Circles. With Bharti Infratel's towers and Bharti Infratel's 42% interest in Indus, we have an economic interest in the equivalent of 85,892 towers and 1,82,294 co-locations in India as of Mar 31, 2015.

Net co-locations added during the year were 15,092 on consolidated basis and 6,682 on standalone basis.

Revenues¹ from Operations

Our consolidated revenue from operations for the year ended March 31, 2015 was Rs 1,16,683 million, a growth of 7.8% compared to the year ended Mar 31, 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 year ended Mar 31, 2015, Bharti Infratel and Indus had average sharing factors of 1.98 and 2.13 per tower, respectively.

Operating Expenses

Our consolidated total expenses for the year ended Mar 31, 2015 were Rs 66,575 million, or 57.1% of our consolidated revenues from operations. The largest component of our consolidated expenses during this period was power and fuel, amounting to Rs 41,950 million. The other key expenses incurred by us during the year ended Mar 31, 2015 were rent of Rs 9,460 million, repair & maintenance (operations and maintenance costs of the network) of Rs 9,071 million and employee benefits expenses of Rs. 3,997 million.

EBITDA¹, EBIT¹ & Finance Cost

For the year ended Mar 31, 2015, the Group had an EBITDA of Rs 50,108 million, a growth of 13.6% compared to the Year ended Mar 31, 2014. The reported EBITDA margin for the year was 42.9%.

During the year ended Mar 31, 2015, the Group had depreciation and amortization expenses of Rs 21,847 million or 18.7% of our consolidated incomes. The resultant EBIT for the year ended Mar 31, 2015 was Rs 28,194 million, a growth of 24.0% compared to the year ended Mar 31, 2014. The finance cost for the year ended Mar 31, 2015 was Rs 2,902 million or 2.5% of our consolidated Revenues, resulting from our consolidated indebtedness.

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

Profit before Tax (PBT)

Our consolidated profit before tax for the year ended Mar 31, 2015 was Rs 30,515 million, or 26.2% of our consolidated revenues, a growth of 31.3% compared to the year ended Mar 31, 2014.

Profit after Tax (PAT)

The net income for the year ended Mar 31, 2015 was Rs 19,924 million or 17.1% of our consolidated revenues, representing a Y-o-Y growth of 31.3%. Our consolidated total tax expense for the year ended Mar 31, 2015 was Rs 10,591 million, or 9.1% of our consolidated revenues.

Capital Expenditure & Operating Free Cash Flow¹

For the year ended Mar 31, 2015, the Group incurred capital expenditure of Rs 20,809 million. The Operating free cash flow during the year was Rs 27,910 million, an increase of 5.4% compared to the full year ended March 31, 2014 on account of higher operating income in the current year.

The Adjusted Fund from Operations (AFFO) during the year was Rs 43,603 million, an increase of 15.8% compared to the year ended Mar 31, 2014.

Dividend

The Board of Directors have proposed a final dividend of Rs 6.5 per equity share for the year ended March 31, 2015, this is in addition to the Interim dividend of Rs 4.5 per share already paid during the quarter ended September 30, 2014. The total dividend payout for full year inclusive of Rs. 3,952 million as tax on dividend will amount to Rs. 24,770 million.

The payment of proposed final dividend is subject to approval of the shareholders in the ensuing annual general meeting of the company.

Quarter Ended Mar 31, 2015

Tower and Co-Location base & additions

Net co-locations added during the quarter were 3,546 on consolidated basis and 1,488 on standalone basis.

Revenues¹ from Operations

Our consolidated revenue from operations for the quarter ended Mar 31, 2015 was Rs 29,467 million, a growth of 5.6% compared to the quarter ended Mar 31, 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 Mar 31, 2015, Bharti Infratel and Indus had average sharing factors of 2.03 and 2.17 per tower, respectively.

Operating Expenses

Our consolidated total expenses for the quarter ended Mar 31, 2015 were Rs 16,172 million, or 54.9% of our consolidated revenues from operations. The largest component of our consolidated expenses during this period was power and fuel, amounting to Rs 9,835 million. The other key expenses incurred by us during the quarter ended Mar 31, 2015 were rent of Rs 2,496 million, repair & maintenance (operations and maintenance costs of the network) of Rs 2,298 million and employee benefits expenses of Rs. 1,033 million.

EBITDA¹, EBIT¹ & Finance Cost

For the quarter ended Mar 31, 2015, the Group had an EBITDA of Rs 13,295 million, a growth of 14.6% compared to the quarter ended Mar 31, 2014. The reported EBITDA margin for the quarter was 45.1%.

During the quarter ended Mar 31, 2015, the Group had depreciation and amortization expenses of Rs 5,608 million or 19.0 % of our consolidated incomes. The resultant EBIT for the quarter ended Mar 31, 2015 was Rs 7,761 million, a growth of 21.8% compared to the quarter ended Mar 31, 2014. The finance cost for the quarter ended Mar 31, 2015 was Rs 658 million or 2.2% of our consolidated revenues, resulting from our consolidated indebtedness.

Pursuant to the guidance issued by ICAI during the quarter i.e FAQ on the provision of CSR under Section 135 of the Companies Act, 2013 and Rule thereon, the Company, during the quarter, has changed its accounting policy to account for CSR expenditure as appropriation to Statement of Profit and Loss instead of charging it to Statement of Profit and Loss, with retrospective effect from April 1, 2014. Accordingly, CSR expenditure for nine months ended December 31, 2014 of Rs. 75 million has been adjusted in the financial results for the quarter and total CSR expenditure for the year of Rs 305 million has been appropriated to the Statement Profit and Loss under 'Reserves and Surplus'

Profit before Tax (PBT)

Our consolidated profit before tax for the quarter ended Mar 31, 2015 was Rs 8,801 million, or 29.9% of our consolidated revenues, a growth of 25.9% compared to the quarter ended Mar 31, 2014.

Profit after Tax (PAT)

The net income for the quarter ended Mar 31, 2015 was Rs 5,575 million or 18.9% of our consolidated revenues, representing a Y-o-Y growth of 18.0%. Our consolidated total tax expense for the quarter ended Mar 31, 2015 was Rs 3,226 million, or 10.9% of our consolidated revenues.

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

Capital Expenditure, Operating Free Cash Flow¹ & Adjusted Fund from Operations (AFFO)¹

For the quarter ended Mar 31, 2015, the Group incurred capital expenditure of Rs 5,651 million. The Operating free cash flow during the quarter was Rs 7,464 million, an increase of 38.5% compared to the quarter ended Mar 31, 2014 on account of higher operating income.

The Adjusted Fund from Operations (AFFO) during the quarter was Rs 11,798 million, an increase of 19.7% compared to the quarter ended Mar 31, 2014.

Return on Capital Employed (ROCE)

ROCE as at the period ended Mar 31, 2015 stands at 19.4% representing a healthy surge of over 400bps over corresponding quarter last year.

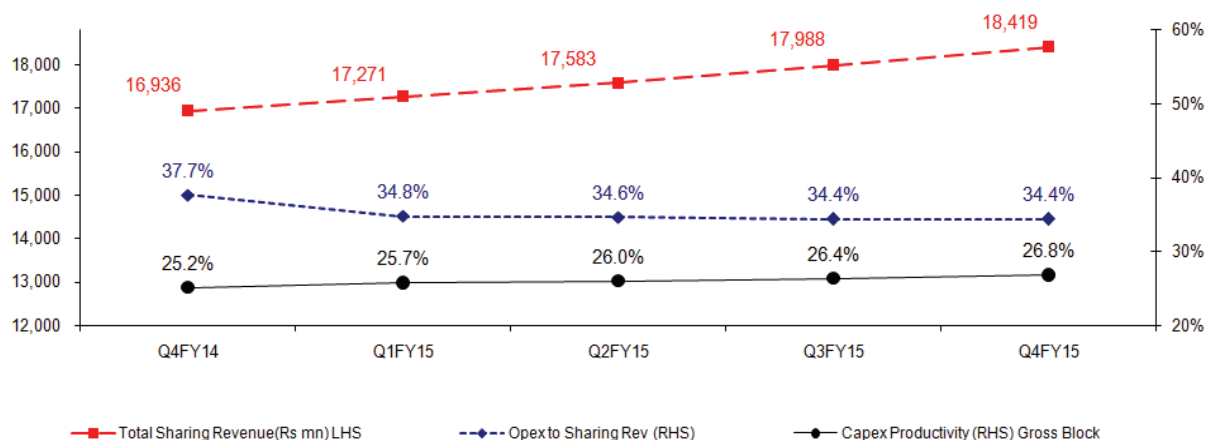
¹Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.

Bharti Infratel Employee Welfare Trust

During the quarter ended March 31, 2015, Bharti Infratel Employee Welfare Trust (a trust set up for administration of ESOP Schemes of the Company) was formed and has acquired 1,652,000 Bharti Infratel equity shares from the open market at an average price of Rs 377.71 per share.

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

5.3.1 Bharti Infratel Consolidated



5.3 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.

Section 6

STOCK MARKET HIGHLIGHTS

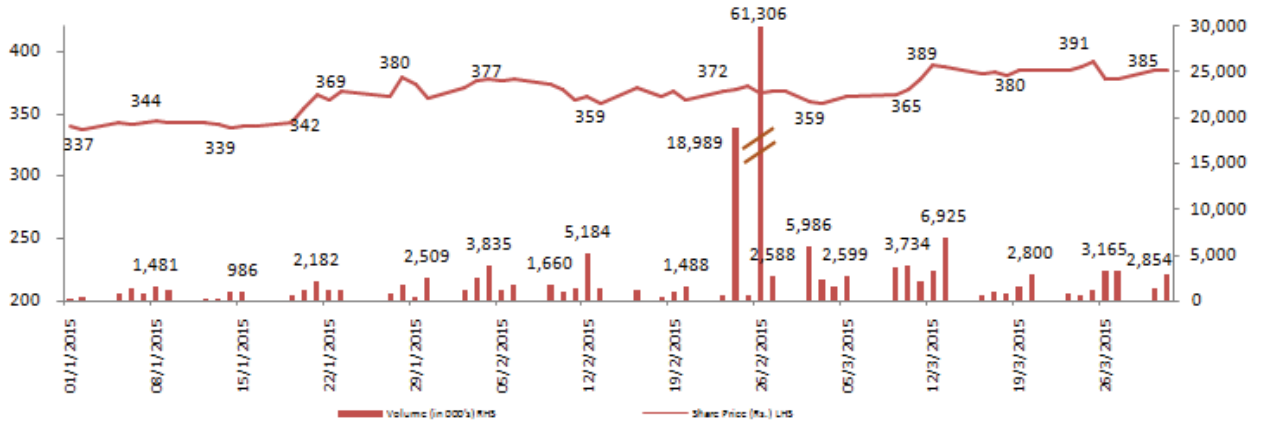
6.1 General Information

Shareholding and Financial Data	Unit	Quarter Ended Mar 31, 2015
Code/Exchange Bloomberg/Reuters		INFRATEL/NSE BHIN:IN/BHRI.NS
No. of Shares Outstanding (31/03/15)	Mn Nos	1,893.77
Closing Market Price - NSE (31/03/15)	Rs /Share	385.00
Combined Average Daily Volume (NSE & BSE)	Nos in Mn/day	2.92
Combined Average Daily Value (NSE & BSE)	Rs bn /day	1.06
Market Capitalization	Rs bn	729
Book Value Per Equity Share	Rs /share	89.87
Market Price/Book Value	Times	4.28
Enterprise Value	Rs bn	702
PE Ratio	Times	36.57
Enterprise Value/ EBITDA (LTM)	Times	14.01

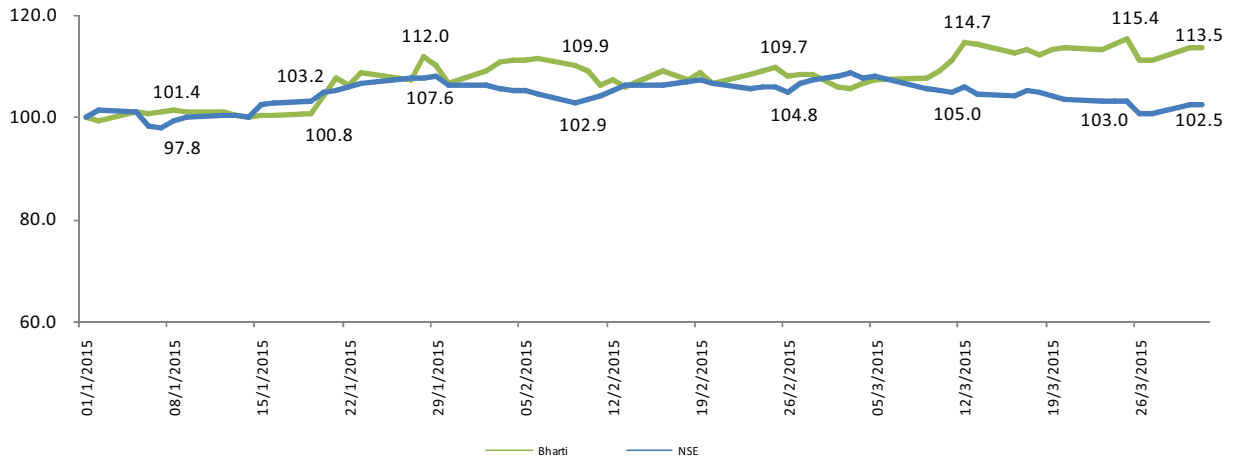
6.2 Summarized Shareholding pattern as of Mar 31, 2015

Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,360,000,000	71.8%
Foreign	-	-
Sub-Total	1,360,000,000	71.8%
Public Shareholding		
Institutions	441,182,638	23.3%
Non-Institutions	90,934,655	4.8%
Sub-Total	532,117,293	28.1%
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	1,893,769,293	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			Full Year Ended		
	Mar 31, 2015	Mar 31, 2014	Y-on-Y growth	Mar 31, 2015	Mar 31, 2014	Y-on-Y growth
Income						
Revenues	29,467	27,899	6%	116,683	108,267	8%
Other income	1,698	1,445	18%	5,223	4,487	16%
	31,165	29,344	6%	121,906	112,754	8%
Expenses						
Power and fuel	9,835	9,893	-1%	41,950	40,620	3%
Rent	2,496	2,235	12%	9,460	8,886	6%
Employee benefits expenses	1,033	952	9%	3,997	3,670	9%
Repairs and maintenance	2,298	2,459	-7%	9,071	8,811	3%
Other expenses	510	762	-33%	2,097	2,162	-3%
	16,172	16,301	-1%	66,575	64,149	4%
Earnings before interest, tax, depreciation & amortization & charity and donation (EBITDA)	14,993	13,043	15%	55,331	48,605	14%
Depreciation and amortization expense	6,182	5,942	4%	24,414	25,186	-3%
Less: adjusted with general reserve in accordance with the Scheme	(574)	(789)		(2,567)	(3,927)	
	5,608	5,153	9%	21,847	21,259	3%
Finance costs	658	826	-20%	2,902	3,997	-27%
Charity and donation ¹	-74	72		67	117	
	6,192	6,051	2%	24,816	25,373	-2%
Profit before tax	8,801	6,992	26%	30,515	23,232	31%
Profit before tax after exceptional items	8,801	6,992	26%	30,515	23,232	31%
Tax expenses						
Current tax	2,868	1,790	60%	9,592	7,009	37%
Deferred tax	358	478		999	1,044	
Total tax expense	3,226	2,268	42%	10,591	8,053	32%
Profit for the period	5,575	4,724	18%	19,924	15,179	31%
Earnings per equity share (nominal value of share Rs 10 each)						
Basic (Rs.)	2.947	2.501	18%	10.539	8.036	31%
Diluted (Rs.)	2.944	2.495	18%	10.529	8.018	31%

1. Refer section 5.2 – Results of Operations (page 17)

7.1.2 Consolidated Statement of Financial Position

Amount in Rs mn

Particulars	As at	As at
	Mar 31, 2015	Mar 31, 2014
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	18,938	18,893
Reserves and surplus	151,262	161,489
	170,200	180,382
Non-current liabilities		
Long-term borrowings	15,663	25,844
Deferred tax liabilities (net)	12,247	11,249
Other long-term liabilities	11,642	15,994
Long-term provisions	11,101	10,736
	50,653	63,823
Current liabilities		
Short-term borrowings	1,468	992
Trade payables	1,342	1,894
Other current liabilities	32,052	29,428
Short-term provisions	15,832	9,837
	50,694	42,151
Total equity and liabilities	271,547	286,356
Assets		
Non-current assets		
Fixed assets		
Tangible assets	147,919	153,039
Intangible assets	202	166
Capital work-in-progress	2,260	1,527
Non-current investments	27,382	36,343
Long-term loans and advances	8,833	14,016
Other non-current assets	27,602	25,301
	214,198	230,392
Current assets		
Current investments	31,440	38,460
Trade receivables	3,532	3,075
Cash and bank balances	9,120	1,655
Short-term loans and advances	5,288	5,082
Other current assets	7,969	7,692
	57,349	55,964
Total assets	271,547	286,356

7.1.3 Consolidated Statement of Cash Flow

Amount in Rs mn

Particulars	Full Year Ended	Full Year Ended
	Mar 31, 2015	Mar 31, 2014
Cash flows from operating activities		
Profit before tax	30,515	23,232
Adjustments for -		
Depreciation and amortization expense	21,847	21,259
Interest income	(137)	(1,068)
Dividend income	(479)	(896)
Interest expense	2,946	3,864
Amortization of loan origination fee	35	35
Net loss/ (gain) on sale of current investments	(1,608)	(32)
Employee stock compensation expense	65	77
Revenue equalization	(1,641)	(2,686)
Rent equalization	252	307
Provision for doubtful debts and advances (net)	(55)	(31)
Provision for capital work in progress (net)	93	58
Fixed assets written off	0	24
Loss/ (profit) on sale of fixed assets (net)	(1,863)	(1,434)
Operating profit before working capital changes	49,970	42,709
Increase / (Decrease) in trade payables	(552)	(873)
Increase / (Decrease) in other current liabilities	702	712
Increase / (Decrease) in short-term provisions	21	17
Increase / (Decrease) in other long-term liabilities	(4,603)	(2,700)
Increase / (Decrease) in long-term provisions	34	38
(Increase) / Decrease in trade receivables	(211)	677
(Increase) / Decrease in short-term loans and advances	(1,174)	2,466
(Increase) / Decrease in other current assets	246	2
(Increase) / Decrease in long-term loans and advances	4,735	1,866
(Increase) / Decrease in other non-current assets	(548)	(1,045)
Cash generated from operations	48,620	43,869
Contribution towards CSR	(305)	0
Income tax paid (net of refunds)	(8,420)	(4,345)
Net Cash flow from operating activities (A)	39,895	39,524
Cash flows from investing activities		
Purchase of tangible assets	(20,781)	(15,742)
Purchase of intangible assets	0	(71)
Proceeds from sale of fixed assets	2,637	2,424
Investments in bank deposits (having original maturity of more than three months)	(8,820)	0
Loan repaid by related Parties	0	23,780
Advance to ESOP trust	(625)	0
Purchase of investments	(125,086)	(141,096)
Proceeds from sale of investments	142,674	105,119
Interest received	148	1,213
Dividend received	479	896
Net Cash flow (used in) investing activities (B)	(9,374)	(23,477)
Cash flows from financing activities		
Proceeds from exercise of stock options	490	57
Repayment of borrowings	(12,849)	(8,433)
Proceeds from borrowings	5,248	4,200
Interest paid	(3,010)	(3,805)
Loan origination fee paid	0	(21)
Dividend paid	(16,822)	(5,666)
Tax on dividend paid	(4,933)	(1,337)
Net Cash flow (used in) financing activities (C)	(31,876)	(15,006)
Net (decrease) / increase in cash and cash equivalents during the period (A+B+C)	(1,355)	1,042
Cash and cash equivalents at the beginning of the period	1,640	520
Cash and cash equivalents acquired on merger		78
Cash and cash equivalents at the end of the period	285	1,640

Contd...

Contd...

Particulars	Amount in Rs mn	
	Full Year Ended	Full Year Ended
	Mar 31, 2015	Mar 31, 2014
Cash and cash equivalents		
Balance with scheduled banks:		
Current account	279	272
Cheques in hand	6	27
Fixed deposits with maturity less than three months	0	1,341
Total cash and cash equivalents	285	1,640
Other bank balances		
Deposit more than three months but less than twelve months	8,835	15
Total cash and bank balances	9,120	1,655

7.2 Schedules to Financial Statements

7.2.1 Schedule of Revenue from Operations

Particulars	Amount in Rs mn			
	Quarter Ended		Full Year Ended	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Rent	18,419	16,936	71,261	65,790
Energy and other reimbursements	11,048	10,963	45,422	42,477
Revenue	29,467	27,899	116,683	108,267

7.2.2 Schedule of Operating Expenses

Particulars	Amount in Rs mn			
	Quarter Ended		Full Year Ended	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Power and fuel	9,835	9,893	41,950	40,620
Rent	2,496	2,235	9,460	8,886
Employee benefits expenses	1,033	952	3,997	3,670
Repair and maintenance expenses	2,298	2,459	9,071	8,811
Other expenses	510	762	2,097	2,162
- Other network expenses	135	182	480	435
- Others	375	580	1,617	1,727
Operating Expenses	16,172	16,301	66,575	64,149

7.2.3 Schedule of Depreciation & Amortization

Particulars	Amount in Rs mn			
	Quarter Ended		Full Year Ended	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Depreciation of tangible assets	5,564	5,130	21,726	21,163
Amortization of intangible assets	44	23	121	96
Depreciation and Amortization	5,608	5,153	21,847	21,259

7.2.4 Schedule of Finance Cost

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Interest	644	966	2,861	3,949
Finance Charges	14	(140)	41	48
Finance cost	658	826	2,902	3,997

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	Full Year Ended
	Mar 31, 2015	Mar 31, 2015
Total Income to Revenue		
Total Income as per IGAAP	31,165	121,906
Less: Other Income	1,698	5,223
Revenue	29,467	116,683

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

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2015	Mar 31, 2015
EBITDA (Incl. Other Income) to EBITDA		
EBITDA (Incl. Other Income) as per IGAAP	14,993	55,331
Less: Other Income	1,698	5,223
EBITDA	13,295	50,108

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

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2015	Mar 31, 2015
EBIT (Incl. Other Income) to EBIT		
EBIT (Incl. Other Income)	9,459	33,417
Less: Other Income	1,698	5,223
EBIT	7,761	28,194

d) Derivation of Operating Free Cash Flow from EBITDA

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2015	Mar 31, 2015
EBITDA to Operating Free Cash Flow		
EBITDA	13,295	50,108
Less: Capex	5,651	20,809
Less: Revenue Equalisation	261	1,641
Add: Lease Rent Equalisation	81	252
Operating Free Cash Flow	7,464	27,910

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

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2015	Mar 31, 2015
Profit before tax to Cash Profit from Operations		
Profit before tax as per IGAAP	8,801	30,515
Add: Depreciation and Amortization	5,608	21,847
Add: Charity & Donation	(74)	67
Less: Other Income	1,698	5,223
Less : Revenue Equalisation	261	1,641
Add : Lease Rent Equalisation	81	252
Cash Profit from Operations	12,457	45,817

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

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2015	Mar 31, 2015
EBITDA to Adjusted Fund From Operations		
EBITDA	13,295	50,108
Less: Maintenance & General Corporate Capex	1,317	5,116
Less: Revenue Equalisation	261	1,641
Add: Lease Rent Equalisation	81	252
Adjusted Fund From Operations(AFFO)	11,798	43,603

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

Amount in Rs mn

Particulars	As at Mar 31, 2015	As at Mar 31, 2014
	Consolidated	Consolidated
Total Debt	25,822	33,423
Less: Cash and Cash Equivalents & Current and non-current Investments (including fixed deposits other than restricted)	67,927	76,443
Add: Unpaid dividend declared & adjusted in equity	14,815	9,726
Net Debt / (Net Cash)	(27,290)	(33,294)

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

h) Calculation of Capital Employed

Amount in Rs mn

Particulars	As at Mar 31, 2015	As at Mar 31, 2014
	Consolidated	Consolidated
Shareholder's Fund	170,200	180,382
Add: Net Debt / (Net Cash)	(27,290)	(33,294)
Capital Employed	142,910	147,089

Section 8

TRENDS AND RATIOS

8.1 Based on Statement of Operations

Parameters	For the Quarter Ended ³				
	Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
Revenue ¹	29,467	29,488	29,301	28,427	27,899
Energy Cost	9,835	10,540	11,009	10,566	9,893
Other Operating Expenses	6,337	6,187	6,091	6,010	6,408
EBITDA ¹	13,295	12,761	12,201	11,851	11,598
<i>EBITDA / Total revenues²</i>	<i>45.1%</i>	<i>43.3%</i>	<i>41.6%</i>	<i>41.7%</i>	<i>41.6%</i>
EBIT ¹	7,761	7,165	6,731	6,537	6,373
Other Income	1,698	1,216	1,137	1,172	1,445
Finance cost	658	696	764	784	826
Cash profit from operations ¹	12,457	11,791	11,086	10,483	10,193
Profit before tax	8,801	7,685	7,104	6,925	6,992
Income tax expense	3,226	2,616	2,452	2,297	2,268
Profit after tax	5,575	5,069	4,652	4,628	4,724
Capex	5,651	5,758	4,601	4,798	5,631
Operating Free Cash Flow ¹	7,464	6,729	7,249	6,469	5,388
Adjusted Fund From Operations (AFFO) ¹	11,798	11,422	10,607	9,776	9,858
Cumulative Investments	275,079	274,325	271,664	269,207	267,767

	Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
As a % of Revenue²					
Energy Cost	33.4%	35.7%	37.6%	37.2%	35.5%
Other Operating Expenses	21.5%	21.0%	20.8%	21.1%	23.0%
EBITDA	45.1%	43.3%	41.6%	41.7%	41.6%
Profit before tax	29.9%	26.1%	24.2%	24.4%	25.1%
Profit after tax	18.9%	17.2%	15.9%	16.3%	16.9%

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				
	Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
Equity Shareholder's Fund	170,200	180,816	176,403	182,749	180,382
Net Debt / (Net Cash) ¹	(27,290)	(39,469)	(33,222)	(38,589)	(33,294)
Capital Employed = Equity Shareholders Fund + Net Debt / (Net Cash)	142,910	141,347	143,181	144,160	147,089

Parameters	Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
Return on Equity	11.4%	10.4%	10.1%	8.9%	8.6%
Return on Capital Employed (Pre Tax)	19.4%	18.5%	17.4%	16.3%	15.2%
Net Debt / (Net Cash) to EBITDA (LTM)	(0.54)	(0.82)	(0.71)	(0.85)	(0.75)
Asset Turnover ratio	51.5%	50.4%	49.8%	47.1%	45.0%
Interest Coverage ratio (times)	17.27	15.77	14.83	12.18	11.04
Net debt / (Net Cash) to Funded Equity (Times)	(0.16)	(0.22)	(0.19)	(0.21)	(0.18)
Per share data (for the period)					
Earnings Per Share - Basic (in Rs)	2.947	2.682	2.461	2.449	2.501
Earnings Per Share - Diluted (in Rs)	2.944	2.677	2.457	2.445	2.495
Book Value Per Equity Share (in Rs)	89.9	95.6	93.3	96.7	95.5
Market Capitalization (Rs. bn)	729	637	557	483	384
Enterprise Value (Rs. bn)	702	597	524	444	351

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

8.3 Operational Performance

8.3.1 Bharti Infratel Consol

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Total Towers ¹	Nos	85,892	85,064	84,303	83,778	83,368
Total Co-locations ¹	Nos	182,294	178,748	174,270	170,320	167,202
Key Indicators						
Average Sharing Factor	Times	2.11	2.08	2.05	2.02	1.99
Closing Sharing Factor	Times	2.12	2.10	2.07	2.03	2.01
Sharing Revenue per Tower p.m.	Rs	71,828	70,805	69,740	68,886	67,942
Sharing Revenue per Sharing Operator p.m.	Rs	34,011	33,970	34,016	34,113	34,155

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	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Total Towers	Nos	37,196	36,747	36,381	36,112	35,905
Total Co-locations	Nos	75,819	74,331	72,597	70,544	69,137
Key Indicators						
Average Sharing Factor	Times	2.03	2.01	1.97	1.94	1.90
Closing Sharing Factor	Times	2.04	2.02	2.00	1.95	1.93
Sharing Revenue per Tower p.m.	Rs	74,382	73,825	73,202	72,159	71,119
Sharing Revenue per Sharing Operator p.m.	Rs	36,630	36,744	37,073	37,204	37,346

8.3.3 Indus Towers

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Total Towers	Nos	115,942	115,040	114,101	113,490	113,008
Total Co-locations	Nos	253,513	248,611	242,079	237,562	233,488
Key Indicators						
Average Sharing Factor	Times	2.17	2.14	2.11	2.08	2.05
Closing Sharing Factor	Times	2.19	2.16	2.12	2.09	2.07
Sharing Revenue per Tower p.m.	Rs	70,370	68,802	67,554	66,706	66,001
Sharing Revenue per Sharing Operator p.m.	Rs	32,371	32,129	32,055	32,075	32,145

8.3.4 Human Resource Analysis

8.3.4.1 Bharti Infratel Consol

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Total On roll Employees ¹	Nos	2,176	2,168	2,148	2,107	2,136
Number of Towers per employee	Nos	39	39	39	40	39
Personnel Cost per employee per month	Rs	158,523	154,609	155,125	152,889	148,761
Revenue per employee per month	Rs	4,521,961	4,554,560	4,591,244	4,466,768	4,359,532

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

8.3.4.2 Bharti Infratel Standalone

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Total On roll Employees	Nos	1,249	1,254	1,234	1,210	1,228
Number of Towers per employee	Nos	30	29	29	30	29
Personnel Cost per employee per month	Rs	167,000	165,059	163,121	164,889	149,776
Revenue per employee per month	Rs	3,561,859	3,642,551	3,735,134	3,617,446	3,511,057

8.3.4.3 Indus Towers

Parameters	Unit	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Total On roll Employees	Nos	2,207	2,177	2,176	2,135	2,162
Number of Towers per employee	Nos	53	53	52	53	52
Personnel Cost per employee per month	Rs	146,844	140,262	144,613	136,734	147,323
Revenue per employee per month	Rs	5,830,014	5,798,461	5,749,351	5,616,385	5,513,309

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				
		Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
Energy Cost Indicators						
Energy Cost Per Tower per month	Rs	38,353	41,488	43,665	42,143	39,689
Energy Cost Per Colocation per month	Rs	18,160	19,905	21,299	20,870	19,952

8.5 Other Than Energy Cost Analysis

Parameters	Unit	For the Quarter Ended				
		Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
Other Than Energy Cost						
Cost Per Tower per month	Rs	24,712	24,353	24,159	23,971	25,705
Cost per Colocation per month	Rs	11,701	11,684	11,784	11,871	12,922

8.6 Revenue and Cost Composition

Parameters	Unit	For the Quarter Ended				
		Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
Revenue Composition						
Service Revenue	%	63%	61%	60%	61%	61%
Energy and other reimbursements	%	37%	39%	40%	39%	39%
Total		100%	100%	100%	100%	100%
Opex Composition						
Power and fuel	%	61%	63%	64%	64%	61%
Rent	%	15%	14%	14%	14%	14%
Employee benefits expenses	%	6%	6%	6%	6%	6%
Repair and maintenance expenses	%	14%	14%	13%	14%	15%
Other expenses	%	3%	3%	3%	3%	5%
- Other network expenses	%	1%	1%	1%	1%	1%
- Others	%	2%	2%	3%	2%	4%
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 Companies (Accounting Standards) Rules, 2006, ('as amended') and relevant provisions of the Companies Act, 1956, read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs. The accounting policies 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 as at 30-Sep-14
Indus Towers Limited	India	Passive Infrastructure Services	Joint Venture	42%
		Operation & Management Services		
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 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 are capitalized when it is probable that 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, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. 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 years
Leasehold improvements	Period of lease or useful life, whichever is less

The site restoration cost obligation capitalized as a part of plant and machinery is depreciated over the period of 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 period during which the services have been rendered.

All employees are entitled to receive benefits under the provident fund, which is a defined contribution plan. Contribution to provident fund is recognized as and when the services are rendered. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employee's basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India. Contributions to both these schemes are expensed in the statement of profit and loss as and when they are due. There are no further obligations under these plans beyond the monthly contributions.

Gratuity obligations are provided for through a defined retirement benefit 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 period in which they occur in the statement of profit and loss.

Other benefits are also provided for in the form of deferred compensation and compensated absences. Employees are entitled to compensated absences based on the unavailed leave balance as well as other long term benefits. Liability is recorded based on actuarial valuation computed under the projected unit credit method. Actuarial gains or losses are immediately taken to the statement of profit and loss and are not deferred. Leave is disclosed in its entirety as a current liability in the balance sheet, since there is no unconditional right to defer settlement for 12 months after the reporting date.

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 or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. 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, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

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 lease term.

Where the Group is lessor

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss.

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 remeasured, with any changes in fair value recognized in the Consolidated Statement of Profit and Loss for the year a corresponding increase in liabilities.

16. 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 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 Sharing Operator	Shareholders Agreement 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
IPO	Initial Public Offering
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

Written correspondence to be sent to:
Bharti Infratel Limited
Investor Relations
ir@bharti-infratel.in
[http:// www.bharti-infratel.com](http://www.bharti-infratel.com)