

Winning with people



**Bharti Airtel Limited
Annual Report 2013-14**

Corporate Information

Board of Directors

Mr. Sunil Bharti Mittal, *Chairman*
Ms. Chua Sock Koong
Sheikh Faisal Thani Al-Thani
Mr. Ajay Lal
Mr. Ben Verwaayen
Mr. Craig Ehrlich
Mr. D. K. Mittal
Mr. Manish Kejriwal
Ms. Obiageli Ezekwesili
Mr. Rajan Bharti Mittal
Ms. Tan Yong Choo
Mr. Tsun-yan Hsieh
Mr. V. K. Viswanathan
Mr. Manoj Kohli
Mr. Gopal Vittal, *Managing Director & CEO (India & South Asia)*

Managing Director & CEO (Africa)

Bharti Airtel International (Netherlands) B.V.
Mr. Christian de Faria

Group General Counsel & Company Secretary

Mr. Mukesh Bhavnani

Statutory Auditors

M/s. S. R. Batliboi & Associates LLP
Chartered Accountants

Internal Auditors

M/s. ANB Solutions Private Limited
M/s. KPMG
M/s. Towers Watson India Private Limited

Registered & Corporate Office

Bharti Airtel Limited,
Bharti Crescent,
1, Nelson Mandela Road,
Vasant Kunj, Phase – II,
New Delhi – 110 070,
India

Website

<http://www.airtel.com>

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At Airtel, we have had a fabulous journey, with growing reach of our young and energetic brand across 20 countries in Asia and Africa.

With several path-breaking industry 'firsts', we remain at the cutting edge of consumer trends and business performance, emerging as the world's fourth largest mobile company, in terms of subscriber base. The driving force behind this performance is our people.

These facts may be exciting news for any global brand to share with the world. But for us they indicate a far more significant reality: the ability of a high-performance ecosystem to consistently deliver in a world, where easy growth has become passé.

This ecosystem is driven by a multi-cultural Global Team that pushes the levers of change to take the organisation forward. Change, for our people, is exhilarating: change is welcome; change is good.

Change helps us reach future faster. It is this ability to be forward-thinking, flexible and agile that has enabled us to not just stay abreast of change, but also *anticipate and lead change*.

As a multi-national, multi-ethnic and multi-business line company, we have a consistent people approach defined by four tenets:

"I know what to do"

"I have a future here"

"I feel energised and connected"

"I am confident of delivering"

These tenets are helping us shape a people-oriented culture, based on meritocracy, transparency, collaboration and care. To encourage innovation and deliver industry-leading products and services with **a winning approach.**



Achieving more together

1st

**Ranked telecom
operator in India**

1st

Service brand in India*
(*in Brand Equity's Top 50
Services Brands in India's Most
Trusted Brand Survey 2013)

1st

**Ranked wireless
operator in 10 African
countries**

4%

**Of world's population
connected through Airtel**

4th

**Ranked mobile operator
globally***
(*in terms of subscriber base)

205.5 Mn

**Mobile subscribers
in India**

78.1 Mn

**International mobile
subscribers across
Africa, Sri Lanka and
Bangladesh**

₹ 857.4 Bn

**Global revenues in
FY 2013-14**



IG Rating

Investment Grade
Credit Rating from S&P,
Moody's and Fitch

4th

Ranked among top 100
emerging market MNCs in
'Corporate Transparency
and Reporting' by
Transparency International

USD 2.2 Bn

Raised through issuance
of USD, EUR and CHF
Bonds during FY 2013-14

₹ 877.63 Bn

Cumulative contribution
to exchequer in India in
last 5 years

115 MHz

Spectrum won in India
auction, valid for
20 years

573 TB

Daily data usage
by users*
(*wireless mobile users' Q4
average)

1.05 Trillion

Minutes of voice traffic
in FY 2013-14

USD 10 Bn

Value of transactions on
airtel money*
(*Q4 annualised)



How we enrich life with people?



Telecom is a vibrant and evolving industry, integral to everyday life of a growing proportion of the world's population, especially young people of India, South Asia and Africa.

As one of the world's leading telecom brands, our Global Team embodies and fuels the aspirations of youth. We respond to those aspirations with a deep commitment to help improve the quality of life.

As part of that commitment, we strive hard to enrich customer experience in more ways than one. Today, Airtel is present in five businesses that take us closer to our vision of being the most loved brand by 2015. ***Our vision is only as strong as our people.***

Our Global Team continuously works towards developing innovative products and services, bringing synergies in our businesses to sustain industry leadership and elevate to the next level of growth.



Revenue Snapshot

Mobile Africa

Airtel money clocked USD
8.8 Bn value of transactions
(Q4 annualised)

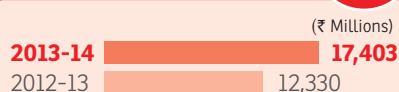
↑
13.3%



Mobile South Asia

Airtel offers 3G services in
Sri Lanka and Bangladesh

↑
41.1%



Mobile India

Airtel 3G has 10.98 Mn
data customers across
2,580 towns

↑
8.4%



Airtel has 225,000 Rkms of
submarine cables connecting 50
countries in 5 continents

↑
19.1%



Infratel (including
proportionate share of Indus)
has over 83,000 towers

↑
2.5%



Mobile
Services



Telemedia



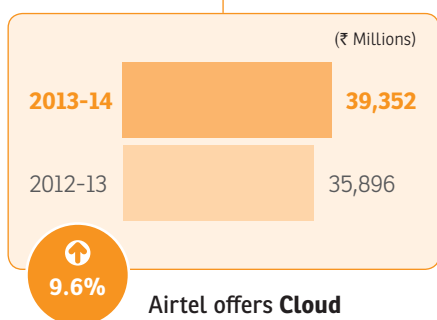
Airtel
Business



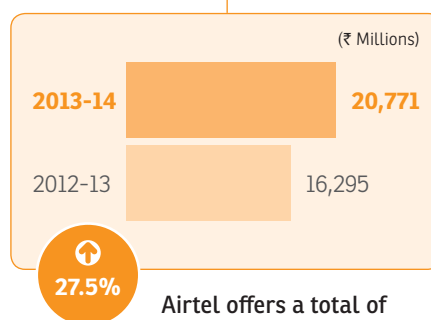
Digital
TV



Tower
Infrastructure



Airtel offers Cloud
services as part of its office
solution suite



Airtel offers a total of
400 channels, including
19 HD channels and
3 interactive sessions

Consolidated Airtel



↑
11.5%

Airtel carried over 1.05 Trillion minutes
of voice traffic in FY 2013-14

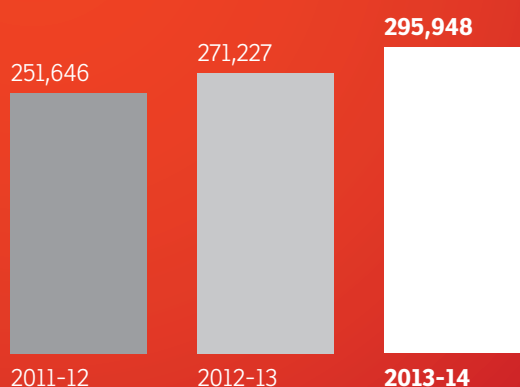
Performance Highlights

Particulars	Units					
		2010	2011	2012	2013	2014
Total Customer Base	000s	137,013	220,878	251,646	271,227	295,948
Mobile Services	000s	131,349	211,919	241,148	259,844	283,580
Broadband & Telephone Services	000s	3,067	3,296	3,270	3,283	3,356
Digital TV Services	000s	2,597	5,663	7,228	8,100	9,012
Based on Consolidated Income Statement						
Revenue	₹ Mn	418,948	595,383	683,267	769,045	857,461
EBITDA (before exceptional items)	₹ Mn	168,149	200,718	222,025	232,579	277,770
Cash Profit from Operations before Derivative and Exchange Fluctuation (before exceptional items)	₹ Mn	162,817	180,581	193,899	195,643	241,813
Earnings Before Tax	₹ Mn	105,091	76,782	63,792	47,853	78,643
Net Profit	₹ Mn	89,768	60,467	42,594	22,757	27,727
Based on Consolidated Statement of Financial Position						
Shareholders' Equity	₹ Mn	421,940	487,668	506,113	503,217	597,560
Net Debt	₹ Mn	23,920	599,512	618,442	583,567	605,416
Capital Employed	₹ Mn	445,860	1,087,180	1,124,555	1,086,784	1,202,976
Key Ratios						
Capex Productivity	%	61.59	66.93	69.17	69.12	72.91
Opex Productivity	%	39.25	45.13	43.84	45.43	45.20
EBITDA Margin	%	40.14	33.71	32.49	30.24	32.39
EBIT Margin	%	25.14	16.57	13.90	10.98	14.14
Return on Shareholders' Equity	%	24.52	13.30	8.57	4.51	5.04
Return on Capital Employed	%	20.65	10.79	7.06	5.68	6.65
Net Debt to EBITDA	Times	0.15	2.95	2.60	2.51	2.20
Interest Coverage Ratio	Times	30.65	11.20	9.09	6.77	7.56
Book Value Per Equity Share	₹	111.13	128.41	133.27	132.51	149.49
Net Debt to Shareholders' Equity	Times	0.06	1.23	1.22	1.16	1.01
Earnings Per Share (Basic)	₹	23.67	15.93	11.22	6.00	7.02
Contribution to Exchequer (India)						
Taxes, Duties, Fees and other Levies	₹ Mn	95,720	307,999	119,082	141,513	213,324

Financial information for years ended till March 31, 2011 is based on proportionate consolidation for Joint Ventures and for years ended March 31, 2012, 2013 & 2014 is based on equity accounting for Joint Ventures.

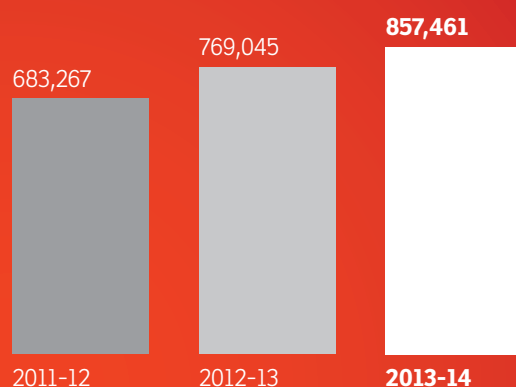
CUSTOMER BASE

(Nos. '000)



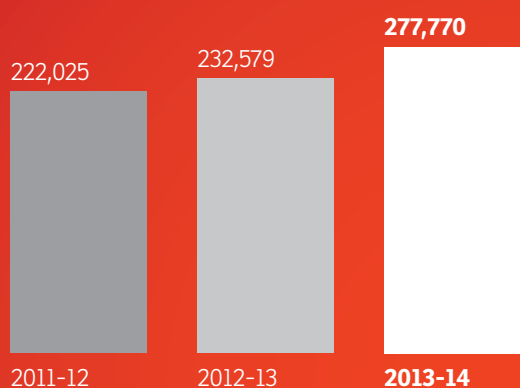
REVENUE

(₹ Millions)



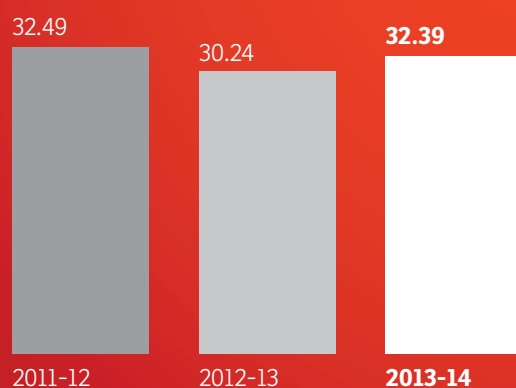
EBITDA

(₹ Millions)



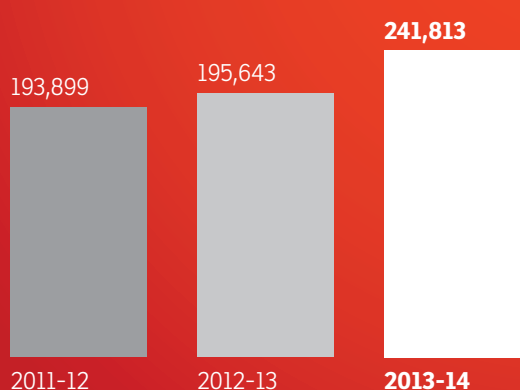
EBITDA MARGIN

(%)



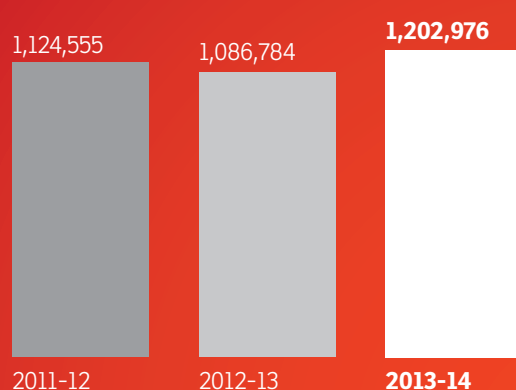
CASH PROFIT

(₹ Millions)



CAPITAL EMPLOYED

(₹ Millions)



Financial Calendar

MAY' 13

Acquired Warid Telecom Uganda, first in-country acquisition in Africa

JUNE' 13

Qatar Foundation Endowment invests ₹ 67,956 Mn for 5% equity stake



One wedding gift that will make 7.2 million Ugandans talk.

Now use your **Hika** and **Pukalant** packs to call all your friends on Airtel (025) and Warid (070) numbers at no extra cost.

WARID
and 5 Triggers

Call 141 and let the celebrations begin!

airtel

FEBRUARY' 14

Won 115 MHz spectrum (prime spectrum zone) for ₹ 184,386 Mn:

- Renewal for Delhi and Kolkata
- 900 MHz in Mumbai
- 1800 MHz in 15 circles
- Pan-India 4G footprint

Crossed 200 Mn mobile customers in India