

February 06, 2024



**Current Price:** ₹ 1113.75

## STOCK DATA

BSE Code	532454
NSE Symbol	BHARTIARTL
Reuters	BRTI.BO
Bloomberg	BHARTI IN

## VALUE PARAMETERS

52 W H/L(Rs)	1200.95/736.20
Mkt. Cap.(Rs Cr)	654286.19
Latest Equity(Subscribed)	2812.47
Latest Reserve (cons.)	75015.42
Latest EPS (cons.) -Unit Curr.	20.16
Latest P/E Ratio -cons	55.25
Latest Bookvalue (cons.) -Unit Curr.	138.36
Latest P/BV - cons	8.05
Dividend Yield -%	0.35
Face Value	5.00

## SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/12/2023
Foreign	23.19
Institutions	19.65
Non Promoter Corp. Hold.	0.64
Promoters	54.57
Public & Others	1.97

## Consolidated Financials Results

In Cr.

	Qtr Ending Dec. 23	Qtr Ending Dec. 22	VAR %
Net Sales (including other operating income)	37,899.50	35,804.40	6
OPM (%)	52.28	51.54	74 bps
OP	19,814.80	18,453.20	7
Other Inc.	439.80	257.60	71
PBIDT	20,254.60	18,710.80	8
Interest	6,644.90	4,685.60	42
PBDT	13,609.70	14,025.20	-3
Depreciation	10,074.30	9,297.70	8
PBT	3,535.40	4,727.50	-25
Share of Profit/(Loss) from Associates	703.20	-368.40	LP
PBT before EO	4,238.60	4,359.10	-3
EO Income	-130.20	-669.80	-
PBT after EO	4,108.40	3,689.30	11
Taxation	1,232.00	1,075.60	15
PAT	2,876.40	2,613.70	10
Minority Interest (MI)	434.20	1,025.50	-58
Net profit	2,442.20	1,588.20	54
EPS (Rs.)	4.43	3.64	

### Bharti AirtelQ3FY24 Margins improved, above Street estimates

Net sales (including other operating income) of Bharti Airtel has increased 5.85% to Rs 37899.5 crore. Sales of Mobile Services India segment has gone up 11.81% to Rs 21,638.60 crore (accounting for 55.02% of total sales). Sales of Mobile Service Africa segment has gone down 7.13% to Rs 10,297.20 crore (accounting for 26.18% of total sales). Sales of Mobile Service S.A segment rose 21.78% to Rs 94.50 crore (accounting for 0.24% of total sales). Sales of Airtel Business segment has gone up 8.73% to Rs 5,194.80 crore (accounting for 13.21% of total sales). Sales of Homes Service segment has gone up 22.96% to Rs 1,271.80 crore (accounting for 3.23% of total sales). Sales of Digital TV Services segment has gone up 6.05% to Rs 783.70 crore (accounting for 1.99% of total sales). Sales of Others segment has gone up 90.04% to Rs 49.60 crore (accounting for 0.13% of total sales). Inter-segment sales rose Rs 1,290.80 crore to Rs 1,430.70 crore.

Profit before interest, tax and other unallocable items (PBIT) has jumped 18.92% to Rs 10,740.20 crore. PBIT of Mobile Services India segment rose 18.94% to Rs 4,794.50 crore (accounting for 44.64% of total PBIT). PBIT of Mobile Service Africa segment fell 7.26% to Rs 3,413.90 crore (accounting for 31.79% of total PBIT). PBIT of Mobile Service S.A segment fell 44.30% to Rs -64.50 crore (accounting for -0.60% of total PBIT). PBIT of Airtel Business segment rose 6.24% to Rs 1,500.70 crore (accounting for 13.97% of total PBIT). PBIT of Tower Infrastructure reported profit of Rs 667.40 crore compared to loss of Rs 401.30 crore. PBIT of Homes Service segment rose 31.39% to Rs 299.70 crore (accounting for 2.79% of total PBIT). PBIT of Digital TV Services segment fell 1.09% to Rs 90.90 crore (accounting for 0.85% of total PBIT). PBIT of Others segment rose 15.34% to Rs 37.60 crore (accounting for 0.35% of total PBIT).

PBIT margin of Mobile Services India segment rose from 20.83% to 22.16%. PBIT margin of

Mobile Service Africa segment fell from 33.20% to 33.15%. PBIT margin of Mobile Service S.A segment fell from negative 57.60% to negative 68.25%. PBIT margin of Airtel Business segment fell from 29.56% to 28.89%. PBIT margin of Homes Service segment rose from 22.05% to 23.57%. PBIT margin of Digital TV Services segment fell from 12.44% to 11.60%. PBIT margin of Others segment fell from 124.90% to 75.81%. Overall PBIT margin rose from 24.35% to 27.31%.

Operating profit margin has jumped from 51.54% to 52.28%, leading to 7.38% rise in operating profit to Rs 19,814.80 crore. Employee cost increased from 3.45% to 3.49%. Other expenses fell from 45.01% to 44.23%. Selling and administration expenses rose from 5.34% to 5.40%. Telecommunication charges fell from 33.81% to 32.90%. Other income rose 70.73% to Rs 439.8 crore. PBDT rose 8.25% to Rs 20254.6 crore. Provision for interest rose 41.82% to Rs 6644.9 crore. PBDT fell 2.96% to Rs 13609.7 crore. Provision for depreciation rose 8.35% to Rs 10074.3 crore. Profit before tax down 25.22% to Rs 3,535.40 crore. Extraordinary items were increased to Rs -130.20 crore. Provision for tax was expense of Rs 1232 crore, compared to Rs 1075.6 crore. Effective tax rate was 29.99% compared to 29.15%.

Minority interest decreased 57.66% to Rs 434.20 crore. Net profit attributable to owners of the company increased 53.77% to Rs 2,442.20 crore.

### Operational Highlights:

- India business posts quarterly revenues of Rs 27811 crore – up 11.4% YoY
- Mobile services India revenues up 11.8% YoY, led by strong 4G/5G customer additions and increase in ARPU.
- 4G/5G data customers up by 28.2 Million YoY & 7.4 Million QoQ, 71% of overall mobile customer base
- Postpaid net adds of 0.9 Million in Q3FY2024
- Mobile ARPU increased to Rs 208 in Q3FY2024 vs Rs 193 in Q3FY2023
- Mobile data consumption up by 21.0% YoY, consumption per customer at 22.0 GB per month.
- Airtel Business revenues up by 8.7% YoY, backed by synergies from emerging portfolio.
- Homes business continues its growth impetus, revenues up 23.0% YoY led by solid customer additions.
- Digital TV revenues up by 6.0% YoY, driven by improved realization and recovery in net customer additions.
- Others:
- Prepaid Rs 8,325 cr in Jan'24 and Rs 16,349 cr in YTD Financial Year '24 to the Department of Telecom towards part prepayment of deferred liabilities pertaining to spectrum acquired in 2015 auction.
- Acquired 97.1% stake in Jan'24 in Beetel Teletech along with its 49% stake in Dixon Electro Appliances Private Limited

### Management Commentary:

**Commenting on the performance Mr Gopal Vittal, MD & CEO, said:** "We have delivered yet another quarter of consistent and competitive growth across all our businesses. Revenue

from India business sustained its momentum and grew sequentially by 3.0%, while the consolidated revenue was impacted by the devaluation of the Nigerian Naira and Malawian Kwacha. The quarter witnessed a strong growth trajectory for the postpaid and Homes business, while our DTH business added 388k net adds – the highest in the last 12 quarters. We remain on course with our strategy of premiumization that helped us add 7.4 million 4G/5G customers and exit the quarter with an industry leading ARPU of Rs. 208. Even at this ARPU, our return on capital employed however, continues to be low at 9.4 percent. To ensure industry health, tariff repair is extremely critical.”

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