

May 17, 2023



Current Price: ₹ 787.85

STOCK DATA

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

VALUE PARAMETERS

52 W H/L(Rs)	877.10/629.05
Mkt. Cap.(Rs Cr)	455105.75
Latest Equity(Subscribed)	2787.92
Latest Reserve (cons.)	70673.03
Latest EPS (cons.) -Unit Curr.	12.83
Latest P/E Ratio -cons	61.41
Latest Bookvalue (cons.) -Unit Curr.	131.75
Latest P/BV - cons	5.98
Dividend Yield -%	0.50
Face Value	5.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2023
Foreign	22.14
Institutions	19.94
Non Promoter Corp. Hold.	0.73
Promoters	55.02
Public & Others	2.18

Consolidated Financials Results

In Cr.

	Qtr Ending Mar. 23	Qtr Ending Mar. 22	VAR %
Net Sales (including other operating income)	36,009.00	31,500.30	14
OPM (%)	51.92	50.92	100 bps
OP	18,697.10	16,040.30	17
Other Inc.	284.90	18.60	1432
PBIDT	18,982.00	16,058.90	18
Interest	5,163.10	4,059.30	27
PBDT	13,818.90	11,999.60	15
Depreciation	9,405.90	8,582.60	10
PBT	4,413.00	3,417.00	29
Share of Profit/(Loss) from Associates	601.00	713.60	-16
PBT	5,014.00	4,130.60	21
Taxation	788.00	1,321.80	-40
PAT	4,226.00	3,715.00	14
Minority Interest (MI)	1,220.40	1,707.20	-29
Net profit	3,005.60	2,007.80	50
EPS (Rs)*	5.39	3.11	

Bharti Airtel Q4: Revenue up 14.3% YoY to Rs 36009, Net Profit up 49.7% to Rs 3006 cr in Q4FY2023, beats estimates

On consolidated basis

Quarter ended March 2023 compared with Quarter ended March 2022

Net sales (including other operating income) of Bharti Airtel has increased 14.31% to Rs 36009 crore. Sales of Mobile Services India segment has gone up 10.97% to Rs 19,549.30 crore (accounting for 52.41% of total sales). Sales of Mobile Service Africa segment has gone up 20.08% to Rs 11,031.50 crore (accounting for 29.57% of total sales). Sales of Mobile Service S.A segment fell 18.09% to Rs 80.60 crore (accounting for 0.22% of total sales). Sales of Airtel Business segment has gone up 14.48% to Rs 4,785.00 crore (accounting for 12.83% of total sales). Sales of Homes Service segment has gone up 25.15% to Rs 1,096.60 crore (accounting for 2.94% of total sales). Sales of Digital TV Services segment has gone down 3.47% to Rs 729.00 crore (accounting for 1.95% of total sales). Sales of Others segment has gone up 215.79% to Rs 30.00 crore (accounting for 0.08% of total sales). Inter-segment sales rose Rs 1,222.70 crore to Rs 1,293.00 crore.

Profit before interest, tax and other unallocable items (PBIT) has jumped 22.38% to Rs 10,068.30 crore. PBIT of Mobile Services India segment rose 41.99% to Rs 4,081.70 crore (accounting for 40.54% of total PBIT). PBIT of Mobile Service Africa segment rose 13.29% to Rs 3,598.90 crore (accounting for 35.74% of total PBIT). PBIT of Mobile Service S.A segment rose 22.65% to Rs -48.50 crore (accounting for -0.48% of total PBIT). PBIT of Airtel Business segment rose 26.01% to Rs 1,476.50 crore (accounting for 14.66% of total PBIT). PBIT of Tower Infrastructure segment fell 13.13% to Rs 616.60 crore (accounting for 6.12% of total PBIT). PBIT of Homes Service segment rose 35.28% to Rs 268.40 crore (accounting for 2.67% of total PBIT). PBIT of Digital TV Services segment fell 53.75% to Rs 70.90 crore (accounting for 0.70% of total PBIT). PBIT of Others segment fell 26.92% to Rs 3.80 crore (accounting for 0.04% of total PBIT).

Bharti Airtel : Consolidated Segment Results

In Cr.

	202303	202203	Var.(%)	% of (Total)
Sales				
Mobile Services India	19,549.30	17,616.80	11	52
Mobile Service Africa	11,031.50	9,187.10	20	30
Mobile Service S.A	80.6	98.4	-18	0
Airtel Business	4,785.00	4,179.80	14	13
Homes Service	1,096.60	876.2	25	3
Digital TV Servies	729	755.2	-3	2
Others	30	9.5	216	0
Total Reported Sales	37,302.00	32,723.00	14	100
Less: Inter segment revenues	1,293.00	1,222.70	6	
Net Sales	36,009.00	31,500.30	14	100
PBIT				
Mobile Services India	4,081.70	2,874.60	42	41
Mobile Service Africa	3,598.90	3,176.60	13	36
Mobile Service S.A	-48.50	-62.70	23	0
Airtel Business	1,476.50	1,171.70	26	15
Homes Service	268.40	198.40	35	3
Digital TV Servies	70.90	153.30	-54	1
Others	3.80	5.20	-27	0
Total PBIT	10,068.30	8,226.90	22	100
Less : Interest	4,974.40	3,897.90	28	
Add: Other un-allcoable	-79.90	707.80	PL	
PBIT Margin(%)**				
Mobile Services India	20.88	16.32	456.16	
Mobile Service Africa	32.62	34.58	-195.29	
Mobile Service S.A	-60.17	-63.72	354.58	
Airtel Business	30.86	28.03	282.44	
Tower Infrastructure	0.00	0.00	0.00	
Homes Service	24.48	22.64	183.24	
Digital TV Servies	9.73	20.30	-1057.36	
Others	12.67	54.74	-4207.02	
PBT	5014.00	5036.80	-0.45	100

** Margins numbers are in bps

PBIT margin of Mobile Services India segment rose from 16.32% to 20.88%. PBIT margin of Mobile Service Africa segment fell from 34.58% to 32.62%. PBIT margin of Mobile Service S.A segment rose from negative 63.72% to negative 60.17%. PBIT margin of Airtel Business segment rose from 28.03% to 30.86%. PBIT margin of Homes Service segment rose from 22.64% to 24.48%. PBIT margin of Digital TV Servies segment fell from 20.30% to 9.73%. PBIT margin of Others segment fell from 54.74% to 12.67%. Overall PBIT margin rose from 25.14% to 26.99%.

Operating profit margin has jumped from 50.92% to 51.92%, leading to 16.56% rise in operating profit to Rs 18,697.10 crore. Employee cost decreased from 3.70% to 3.51%. Other expenses fell from 45.38% to 44.57%. Selling and administration expenses rose from 4.87% to 5.51%. Telecommunication charges fell from 35.89% to 33.64%.

Other income rose 1,431.72% to Rs 284.9 crore. PBIDT rose 18.20% to Rs 18982 crore. Provision for interest rose 27.19% to Rs 5163.1 crore. Loan funds rose to Rs 2,26,020.30 crore as of 31 March 2023 from Rs 1,69,677.90 crore as of 31 March 2022. Inventories declined from Rs 375.00 crore as of 31 March 2022 to Rs 257.60 crore as of 31 March 2023. Sundry debtors were lower at Rs 3,981.50 crore as of 31 March 2023 compared to Rs 4,056.20 crore as of 31 March 2022. Cash and bank balance declined from Rs 13,494.30 crore as of 31 March 2022 to Rs 13,418.60 crore as of 31 March 2023. Investments rose to Rs 32,953.90 crore as of 31 March 2023 from Rs 29,349.10 crore as of 31 March 2022 .

PBDT rose 15.16% to Rs 13818.9 crore. Provision for depreciation rose 9.59% to Rs 9405.9 crore. Fixed assets increased to Rs 2,93,045.10 crore as of 31 March 2023 from Rs 2,16,206.70 crore as of 31 March 2022. Intangible assets declined from Rs 33,831.30 crore to Rs 33,774.10 crore.

Profit before tax grew 29.15% to Rs 4,413.00 crore. Share of profit/loss was 15.78% lower at Rs 601 crore. Provision for tax was expense of Rs 788 crore, compared to Rs 1321.8 crore. Effective tax rate was 15.72% compared to 26.24%. Minority interest decreased 28.51% to Rs 1,220.40 crore. Net profit attributable to owners of the company increased 49.70% to Rs 3,005.60 crore.

Full year results analysis.

Net sales (including other operating income) of Bharti Airtel has increased 19.39% to Rs 139144.8 crore. Sales of Mobile Services India segment has gone up 20.68% to Rs 75,924.60 crore (accounting for 52.67% of total sales). Sales of Mobile Service Africa segment has gone up 20.55% to Rs 42,266.40 crore (accounting for 29.32% of total sales). Sales of Mobile Service S.A segment fell 23.91% to Rs 294.40 crore (accounting for 0.20% of total sales). Sales of Airtel Business segment has gone up 15.70% to Rs 18,593.10 crore (accounting for 12.90% of total sales). Sales of Homes Service segment has gone up 33.18% to Rs 4,047.20 crore (accounting for 2.81% of total sales). Sales of Digital TV Services segment has gone down 6.62% to Rs 2,945.00 crore (accounting for 2.04% of total sales). Sales of Others segment has gone up 140.85% to Rs 85.50 crore (accounting for 0.06% of total sales). Inter-segment sales rose Rs 4,114.60 crore to Rs 5,011.40 crore.

Profit before interest, tax and other unallocable items (PBIT) has jumped 31.29% to Rs 36,301.90 crore. PBIT of Mobile Services India segment rose 88.99% to Rs 14,845.20 crore (accounting for 40.89% of total PBIT). PBIT of Mobile Service Africa segment rose 21.15% to Rs 14,147.10 crore (accounting for 38.97% of total PBIT). PBIT of Mobile Service S.A segment rose 26.42% to Rs -178.20 crore (accounting for -0.49% of total PBIT). PBIT of Airtel Business segment rose 21.52% to Rs 5,432.40 crore (accounting for 14.96% of total PBIT). PBIT of Tower Infrastructure segment fell 69.62% to Rs 736.50 crore (accounting for 2.03% of total PBIT). PBIT of Homes Service segment rose 55.37% to Rs 890.10 crore (accounting for 2.45% of total PBIT). PBIT of Digital TV Services segment fell 55.22% to Rs 399.60 crore (accounting for 1.10% of total PBIT). PBIT of Others reported profit of Rs 29.20 crore compared to loss of Rs 0.10 crore.

PBIT margin of Mobile Services India segment rose from 12.48% to 19.55%. PBIT margin of Mobile Service Africa segment rose from 33.30% to 33.47%. PBIT margin of Mobile Service S.A segment rose from negative 62.60% to negative 60.53%. PBIT margin of Airtel Business segment rose from 27.82% to 29.22%. PBIT margin of Homes Service segment rose from 18.85% to 21.99%. PBIT margin of Digital TV Services segment fell from 28.29% to 13.57%. PBIT margin of Others segment rose from negative 0.28% to 34.15%. Overall PBIT margin rose from 22.91% to 25.18%.

Operating profit margin has jumped from 49.37% to 51.22%, leading to 23.88% rise in operating profit to Rs 71,273.50 crore. Employee cost decreased from 3.80% to 3.47%. Other

expenses fell from 46.83% to 45.31%. Selling and administration expenses rose from 4.55% to 5.21%. Telecommunication charges fell from 36.76% to 34.44%.

Other income rose 75.29% to Rs 936.6 crore. PBDIT rose 24.35% to Rs 72210.1 crore. Provision for interest rose 16.15% to Rs 19299.9 crore. Loan funds rose to Rs 2,26,020.30 crore as of 31 March 2023 from Rs 1,69,677.90 crore as of 31 March 2022. Inventories declined from Rs 375.00 crore as of 31 March 2022 to Rs 257.60 crore as of 31 March 2023. Sundry debtors were lower at Rs 3,981.50 crore as of 31 March 2023 compared to Rs 4,056.20 crore as of 31 March 2022. Cash and bank balance declined from Rs 13,494.30 crore as of 31 March 2022 to Rs 13,418.60 crore as of 31 March 2023. Investments rose to Rs 32,953.90 crore as of 31 March 2023 from Rs 29,349.10 crore as of 31 March 2022. PBDT rose 27.64% to Rs 52910.2 crore. Provision for depreciation rose 10.10% to Rs 36431.8 crore. Fixed assets increased to Rs 2,93,045.10 crore as of 31 March 2023 from Rs 2,16,206.70 crore as of 31 March 2022. Intangible assets declined from Rs 33,831.30 crore to Rs 33,774.10 crore.

Profit before tax grew 97.08% to Rs 16,478.40 crore. Share of profit/loss was 68.96% lower at Rs 752.1 crore. Provision for tax was expense of Rs 4273.3 crore, compared to Rs 4177.9 crore. Effective tax rate was 25.80% compared to 33.47%. Minority interest decreased 2.69% to Rs 3,941.50 crore. Net profit attributable to owners of the company increased 96.15% to Rs 8,345.90 crore.

Operational Highlights:

- India business posts quarterly revenues of Rs 25,250 crore – up 12.2% YoY
- Mobile services India revenues up 11.5% YoY, led by continued 4G customer additions and increase in ARPU. Mobile ARPU increased to Rs 193 in Q4'23 vs Rs 178 in Q4'22. 4G data customers up by 23.3 Mn YoY & 7.4 Mn QoQ, 67% of overall mobile customer base.
- Airtel Business revenues up by 14.5% YoY, backed by robust demand for data and connectivity related solutions as well as emerging competencies. Mobile data consumption up by 20.2% YoY, consumption per customer at 20.3 GB per month.
- Homes business continues to bolster its presence with 404 K customer net additions in Q4'23.
- Digital TV customer base at 15.9 Mn in Q4'23.
- Overall customer base stands at 518 million across 16 countries.

Dividend: The Board has considered and recommended a final dividend of Rs. 4/- per fully paid-up equity share of face value Rs. 5/- each and Re. 1/- per partly paid-up equity share of face value Rs. 5/- each (paid-up Rs. 1.25 per share) for the financial year 2022-23

Management Commentary:

Commenting on the performance Mr Gopal Vittal, MD & CEO, said: "This has been another strong quarter as we end the fiscal year having further strengthened our portfolio. Our consolidated revenue grew sequentially by 0.6%, while EBITDA margin expanded to 52.2% despite there being two fewer days in the quarter. Our focus on acquiring quality customers has resulted in 7.4 million new 4G customers, as we exit the quarter with an industry leading ARPU of Rs. 193. A simple strategy and our relentless focus on execution has ensured that we close the year with market share gains across all businesses. We are also pleased to see the increased velocity of our digital deliveries across all parts of our business. This has been due to our sustained focus on digital platforms and talent. We continue to ramp up our 5G roll out and expect to connect all major towns and key villages by the end of this year."

E-mail: researchfeedback@smcindiaonline.com



Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401/402,
4th Floor, Graham Firth Steel Compound,
Off Western Express Highway, Jay Coach Signal,
Goreagon (East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-28805606

Kolkata Office:
18, Rabindra Sarani,
Poddar Court, Gate No.- 4, 5th Floor, Kolkata-700001
Tel: 91-33-39847000, Fax: 91-33-39847004

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