

May 15, 2024



Current Price: ₹ 1285.40

STOCK DATA

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

VALUE PARAMETERS

52 W H/L(Rs)	1364.05/783.60
Mkt. Cap.(Rs Cr)	765024.38
Latest Equity(Subscribed)	2836.81
Latest Reserve (cons.)	77513.01
Latest EPS (cons.) -Unit Curr.	20.82
Latest P/E Ratio -cons	61.74
Latest Bookvalue (cons.) -Unit Curr.	141.62
Latest P/BV - cons	9.08
Dividend Yield -%	0.60
Face Value	5

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2024
Foreign	24.54
Institutions	19.35
Non Promoter Corp. Hold.	0.66
Promoters	53.49
Public & Others	1.97

Consolidated Financials Results

In Cr.

	Qtr Ending Mar. 24	Qtr Ending Mar. 23	VAR %
Net Sales (including other operating income)	37599.10	36009.00	4.42
OPM (%)	51.50	51.92	-42 bps
OP	19364.80	18697.10	3.57
Other Inc.	316.90	284.90	11.23
PBIDT	19681.70	18982.00	3.69
Interest	5203.30	5163.10	0.78
PBDT	14478.40	13818.90	4.77
Depreciation	10075.20	9405.90	7.12
PBT	4403.20	4413.00	-0.22
Share of Profit/(Loss) from Associates	830.30	601.00	38.15
PBT before EO	5233.50	5014.00	4.38
EO Income	-2455.50	0.00	-
PBT after EO	2778.00	5014.00	-44.60
Taxation	709.80	788.00	-9.92
PAT	2068.20	4226.00	-51.06
Minority Interest (MI)	-3.40	1220.40	LP
Net profit	2071.60	3005.60	-31.08
EPS (Rs)	6.41	5.30	

Bharti Airtel Q4FY24 : Profit Drops 31%, ARPU Stays Flat

Net sales (including other operating income) of Bharti Airtel has increased 4.42% to Rs 37599.1 crore. Sales of Mobile Services India segment has gone up 12.87% to Rs 22,065.70 crore (accounting for 56.46% of total sales). Sales of Mobile Service Africa segment has gone down 15.76% to Rs 9,293.30 crore (accounting for 23.78% of total sales). Sales of Mobile Service S.A segment rose 19.23% to Rs 96.10 crore (accounting for 0.25% of total sales). Sales of Airtel Business segment has gone up 14.14% to Rs 5,461.60 crore (accounting for 13.98% of total sales). Sales of Homes Service segment has gone up 19.96% to Rs 1,315.50 crore (accounting for 3.37% of total sales). Sales of Digital TV Services segment has gone up 5.53% to Rs 769.30 crore (accounting for 1.97% of total sales). Sales of Others segment has gone up 159.33% to Rs 77.80 crore (accounting for 0.20% of total sales). Inter-segment sales rose Rs 1,293.00 crore to Rs 1,480.20 crore.

Profit before interest, tax and other unallocable items (PBIT) has jumped 3.44% to Rs 10,414.80 crore. PBIT of Mobile Services India segment rose 18.30% to Rs 4,828.60 crore (accounting for 46.36% of total PBIT). PBIT of Mobile Service Africa segment fell 19.89% to Rs 2,882.90 crore (accounting for 27.68% of total PBIT). PBIT of Mobile Service S.A segment fell 28.25% to Rs -62.20 crore (accounting for -0.60% of total PBIT). PBIT of Airtel Business segment rose 2.97% to Rs 1,520.40 crore (accounting for 14.60% of total PBIT). PBIT of Tower Infrastructure segment rose 32.89% to Rs 819.40 crore (accounting for 7.87% of total PBIT). PBIT of Homes Service segment rose 20.90% to Rs 324.50 crore (accounting for 3.12% of total PBIT). PBIT of Digital TV Services segment fell 10.44% to Rs 63.50 crore (accounting for 0.61% of total PBIT). PBIT of Others segment rose 892.11% to Rs 37.70 crore (accounting for 0.36% of total PBIT).

PBIT margin of Mobile Services India segment rose from 20.88% to 21.88%. PBIT margin of

Bharti Airtel : Consolidated Segment Results

In Cr.

	Qtr Ending Mar'24	Qtr Ending Mar'23	Var.(%)	% of (Total)
Sales				
Mobile Services India	22065.70	19549.30	12.87	56.46
Mobile Service Africa	9293.30	11031.50	-15.76	23.78
Mobile Service S.A	96.10	80.60	19.23	0.25
Airtel Business	5461.60	4785.00	14.14	13.98
Tower Infrastructure	0.00	0.00	-	0.00
Homes Service	1315.50	1096.60	19.96	3.37
Digital TV Servies	769.30	729.00	5.53	1.97
Others	77.80	30.00	159.33	0.20
Mobile Service Ind & S.A	0.00	0.00	-	0.00
Total Reported Sales	39079.30	37302.00	4.76	100.00
Less: Inter segment revenues	1480.20	1293.00	14.48	
Net Sales	37599.10	36009.00	4.42	100.00
PBIT				
Mobile Services India	4828.60	4081.70	18.30	46.36
Mobile Service Africa	2882.90	3598.90	-19.89	27.68
Mobile Service S.A	-62.20	-48.50	-28.25	-0.60
Airtel Business	1520.40	1476.50	2.97	14.60
Tower Infrastructure	819.40	616.60	32.89	7.87
Homes Service	324.50	268.40	20.90	3.12
Digital TV Servies	63.50	70.90	-10.44	0.61
Others	37.70	3.80	892.11	0.36
Mobile Service Ind & S.A	0.00	0.00	-	0.00
Total PBIT	10414.80	10068.30	3.44	100.00
Less : Interest	5019.90	4974.40	0.91	
Add: Other un-allocable	-2616.90	-79.90	-3175.22	
PBIT Margin(%)				
Mobile Services India	21.88	20.88	100.38	
Mobile Service Africa	31.02	32.62	-160.26	
Mobile Service S.A	-64.72	-60.17	-455.05	
Airtel Business	27.84	30.86	-301.88	
Tower Infrastructure	0.00	0.00	0.00	
Homes Service	24.67	24.48	19.18	
Digital TV Servies	8.25	9.73	-147.14	
Others	48.46	12.67	3579.09	
Mobile Service Ind & S.A	0.00	0.00	0.00	
PBT	2778.00	5014.00	-44.60	100.00

Mobile Service Africa segment fell from 32.62% to 31.02%. PBIT margin of Mobile Service S.A segment fell from negative 60.17% to negative 64.72%. PBIT margin of Airtel Business segment fell from 30.86% to 27.84%. PBIT margin of Homes Service segment rose from 24.48% to 24.67%. PBIT margin of Digital TV Servies segment fell from 9.73% to 8.25%. PBIT margin of Others segment rose from 12.67% to 48.46%. Overall PBIT margin fell from 26.99% to 26.65%.

Operating profit margin has declined from 51.92% to 51.50%, leading to 3.57% rise in operating profit to Rs 19,364.80 crore. Employee cost increased from 3.51% to 3.63%. Other expenses rose from 44.57% to 44.87%. Selling and administration expenses fell from 5.51% to 5.50%. Telecommunication charges fell from 33.64% to 33.40%.

Other income rose 11.23% to Rs 316.9 crore. PBIDT rose 3.69% to Rs 19681.7 crore. Provision for interest rose 0.78% to Rs 5203.3 crore. Loan funds declined from Rs 2,26,020.30 crore as of 31 March 2023 to Rs 2,15,592.30 crore as of 31 March 2024. Inventories rose to Rs 363.90 crore as of 31 March 2024 from Rs 257.60 crore as of 31 March 2023. Sundry debtors were higher at Rs 4,727.70 crore as of 31 March 2024 compared to Rs 3,981.50 crore as of 31 March 2023. Cash and bank balance rose to Rs 16,339.90 crore as of 31 March 2024 from Rs 13,418.60 crore as of 31 March 2023. Investments declined from Rs 32,953.90 crore as of 31 March 2023 to Rs 31,602.30 crore as of 31 March 2024.

PBDT rose 4.77% to Rs 14478.4 crore. Provision for depreciation rose 7.12% to Rs 10075.2 crore. Fixed assets increased to Rs 2,93,705.50 crore as of 31 March 2024 from Rs 2,93,045.10 crore as of 31 March 2023. Intangible assets declined from Rs 33,774.10 crore to Rs 26,501.70 crore. Profit before tax down 0.22% to Rs 4,403.20 crore. Share of profit/loss was 38.15% higher at Rs 830.3 crore. Provision for tax was expense of Rs 709.8 crore, compared to Rs 788 crore. The company reported an exceptional charge of Rs 2,455.50 crore, largely on account of devaluation of the Nigerian currency Naira. Effective tax rate was 25.55% compared to 15.72%. Net profit attributable to owners of the company decreased 31.08% to Rs 2,071.60 crore.

Operational Highlights:

India business posts quarterly revenues of Rs 28513 crore – up 12.9% YoY backed by strong and consistent performance across the portfolio

Mobile services India revenues up 12.9% YoY, led by strong 4G/5G customer additions and increase in ARPU.

- 4G/5G data customers up by 28.6 Million YoY & 7.8 Million QoQ, 72% of overall mobile customer base
- Postpaid net adds of 0.8 Million in Q4FY2024
- Mobile ARPU increased to Rs 209 in Q4FY2024 vs Rs 193 in Q4FY2023
- Mobile data consumption up by 25.0% YoY, consumption per customer at 22.6 GB per month.
- Airtel Business revenues up by 14.1% YoY, led by growth in underlying portfolio and consolidation of Beetel.
- Homes business continues its growth impetus, revenues up 20.0% YoY led by healthy customer additions.
- Digital TV revenues up by 5.5% YoY, continuing the market momentum.

Dividend:

The Board has considered and recommended a final dividend of Rs. 8/- per fully paid-up equity share of face value Rs. 5/- each and Rs. 2/- per partly paid-up equity share of face value Rs. 5/- each (paid-up value Rs.1.25/- per share) for the financial year 2023-24

Management Commentary:

Commenting on the performance Mr Gopal Vittal, MD & CEO, said: "We ended the year on a strong note with consistent performance across all businesses, both on customer metrics as well as financial parameters. India revenue (adjusted for Beetel) grew by 1.7% with EBITDA margin expanding to 54.1%, despite one day less in the quarter. Consolidated performance was

impacted primarily by the devaluation of the Nigerian Naira. We added 7.8 million smart phone customers and delivered an industry leading ARPU of Rs. 209. Our relentless focus on improving customer experience has resulted in 20% churn reduction during the quarter. Our simple and clear strategy coupled with razor-sharp focus on execution enabled us to end the quarter with life-time high market share across all businesses. Our efforts on digitizing Airtel are now gathering velocity and is being visibly felt across all parts of our operations. At the same time, our return on capital employed continues to remain low due to the absence of tariff repair in the industry.”

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