

India's Bharti makes \$184m in three months

NEW DELHI, INDIA: India's top mobile phone firm, Bharti Airtel, reported almost 61% increase in profits - compared with last year - helped by less competition and a wider customer base.



Billionaire Sunil Bharti Mittal wants to see Africa as a major market but its operations there lost \$137m in the June quarter. Image: Wikipedia

Bharti, the fourth-largest cellular firm globally by subscribers, said in a statement that consolidated net profit for the financial quarter to June climbed to 11.08bn rupees (\$184 million), compared with 6.89bn rupees last year.

Revenue jumped 13.3% to 229.6bn rupees. The profit increase marked a third quarter of earnings growth after Bharti recorded nearly four consecutive years of decline.

But the company's African operations, purchased as part of Bharti's move four years ago to increase its global footprint, racked up more losses.

Net loss for the telecommunication company's African business increased from \$52m last year to \$137m for April to June quarter this year.

The figures come a day after the company announced that it now had 300m customers, an increase of 100m in less than two years.

Bharti's global strategy

Bharti, controlled by billionaire Sunil Bharti Mittal and one-third owned by Singapore Telecommunications, operates in 20 countries.

According to the Press Trust of India Managing Director Gopal Vittal said that the pace of growth across all segments has been satisfying but he highlighted a 68.2% growth in revenues from mobile data.

Fierce tariff competition has pushed Indian call rates down to among the world's lowest. But a 2012 court ruling scrapping licences of some smaller firms over a scandal-tainted spectrum sale, reduced congestion and gave firms scope to raise call prices.

Just three firms, Bharti, Vodafone and Idea Cellular account for nearly three-quarters of revenues and both Bharti and Vodafone bought more wireless spectrum in February to expand their services.

The biggest threat for Indian telecommunication companies, analysts say, is the looming entry of a new deep-pocketed rival, Reliance Jio Infocomm belonging to conglomerate Reliance Industries, controlled by India's richest man Mukesh Ambani.

Source: AFP via I-Net Bridge



Bharti Airtel's Gopal Vittal says growth across all markets has been satisfying although Africa operations are still racking up losses. Image: [Rediff](#)