

# Idea Cellular Limited

An Aditya Birla Group Company

Quarterly Report – Second Quarter Ended September 30, 2015

**Introducing  
My Idea app**  
Manage your Idea connection,  
the smart way!

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**An idea can change your life**

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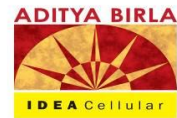
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## Supplemental Disclosures

Unless stated otherwise, the financial data in this report is derived from our un-audited / audited financial statements prepared in accordance with Indian GAAP. Our financial year ends on March 31 of each year, so all references to a particular financial year are to the twelve months ending March 31 of that year. In this report, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. There are significant differences between Indian GAAP, IFRS, and U.S. GAAP; accordingly, the degree to which the Indian GAAP financial statements will provide meaningful information is dependent on the reader's familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial information presented in this report should accordingly be limited. We have not attempted to explain such differences or quantify their impact on the financial data included herein.

Unless stated otherwise, industry data used throughout this report has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this report is reliable, it has not been independently verified.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the industry.

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## 1. Reporting Guidelines:

To facilitate an analytical perspective, the results have been formatted and grouped as under:

- a) **Standalone** – Idea, and its 100% subsidiaries. Effectively, this encompasses all operations, excluding the Indus.
- b) **Consolidated** – Idea, its 100% subsidiaries, and its JVs, grouped together. In addition to Idea Standalone, this covers the proportionate consolidation of Indus (16%). JV financials have been consolidated as jointly controlled entities as per “AS 27 - Financial reporting of Interests in Joint Ventures”. It may be noted that the consolidation of financials of two or more entities requires elimination of inter entity transactions. Illustratively, rentals paid by Idea to Indus, become expenses for Idea and revenues for Indus, on a standalone basis. However, upon consolidation, the proportionate revenue of Indus gets reduced to the extent contributed by Idea. The rental expenses of Idea also stand correspondingly reduced in the consolidated financials.



## 2. Performance at a glance – Idea Standalone

Particulars	Unit	For the Quarter		For the Year				
		Q2FY16	Q1FY16	FY 15	FY 14	FY 13	FY 12	FY 11
<b>Operating Highlights</b>								
Subscriber base (EoP)	mn	166.6	162.1	157.8	135.8	121.6	112.7	89.5
2G - Cell Sites (EoP)	nos.	1,19,276	1,15,575	1,12,367	1,04,778	90,094	83,190	73,668
3G - Cell Sites (EoP)	nos.	39,867	33,621	30,291	21,381	17,140	12,825	
Total Minutes of Use	Mn	1,89,452	1,95,752	6,83,427	5,87,768	5,32,120	4,53,123	3,62,565
Total Data Volume (2G+3G)	Mn MB	72,013	62,677	1,72,531	79,381	37,381		
<b>Financial Highlights</b>								
Gross Revenue	Rs mn	86,799	87,965	3,15,548	2,65,036	2,25,949	1,96,800	1,56,380
EBITDA <sup>1</sup>	Rs mn	27,773	29,613	97,679	73,467	53,516	44,658	33,339
PAT	Rs mn	7,102	8,401	34,772	17,932	10,080	6,036	8,378
Cash Profit	Rs mn	25,318	25,531	84,820	64,350	46,968	36,079	30,899
Gross Block + CWIP <sup>2</sup>	Rs mn	7,36,692	6,50,947	6,13,843	5,71,211	4,46,007	3,92,602	3,51,045
Net Worth	Rs mn	2,44,292	2,37,054	2,28,518	1,58,787	1,41,808	1,29,058	1,22,748
Loan Funds	Rs mn	2,35,393	1,93,488	2,58,754	1,93,616	1,26,688	1,20,957	1,05,575
Cash & Cash Equivalent	Rs mn	14,084	17,120	1,30,714	1,761	10,806	1,406	13,902
Net Debt	Rs mn	2,21,309	1,76,368	1,28,041	1,91,855	1,15,881	1,19,550	91,673
Net Debt to EBITDA <sup>3</sup>	unit	1.99	1.49	1.31	2.61	2.17	2.68	2.75
Net Debt to Net Worth	unit	0.91	0.74	0.56	1.21	0.82	0.93	0.75
ROCE	%	8.0%	10.5%	10.7%	7.1%	6.0%	5.2%	5.7%

<sup>1</sup>Forex Loss/Gain which was part of net interest & finance cost earlier, has been regrouped to Other Expenditure in Q2FY15 (impacting the EBITDA). Past period figures are restated.  
<sup>2</sup>Includes:- Spectrum payout of Rs. 57,686mn for 2100MHz band (FY11 onwards), Rs. 20,313mn for 1800MHz band (FY13 onwards), Rs. 104,242mn for 900/1800 Mhz band (FY14 onwards) and Rs. 22,327mn for 1800/2100 Mhz band (Q1FY16 onwards). Excludes:- Gross Block value of 11,094 towers transferred to Indus from Q1FY14 onwards.

<sup>3</sup>Net Debt to EBITDA, for the quarter, is based on the annualised figure of quarterly EBITDA.

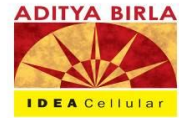
Note: Dividend received from Indus is considered while calculating standalone (Idea+ Subsidiaries) PAT, Cash Profit and ROCE.

## 3. Company Overview

Idea Cellular Limited ("Idea") is the third largest wireless operator in India with a Revenue Market Share (RMS) of 18.7% (Q1FY16). In the 15 Established Service Areas, its RMS stands at a strong level of 21.8% (Q1FY16). The company carried around 2.06 billion minutes on a daily basis during the quarter Q2FY16. Idea is the sixth largest mobile telecommunications company (counted on operations in a single country) in the world based on number of subscribers (GSMA Intelligence, as of June 2015). Company is listed on National Stock Exchange and Bombay Stock Exchange in India with a market capitalization of Rs. 538 billion (as on September 30, 2015).

### A. Promoter Group

Idea is part of the Aditya Birla Group, which is one of the largest business groups in India. The Aditya Birla Group is a conglomerate with operations in more than 30 countries. The Aditya Birla group has a history of over 50 years



and has businesses in, among others, mobile telecommunications, metals and mining, retail, cement, carbon black, textiles, garments, chemicals, fertilizers, life insurance and financial services industries. The Group currently has shareholding holding of 42.25% in Idea, through following entities;

Aditya Birla Nuvo Ltd.	23.27%
Birla TMT Holdings Pvt. Ltd.	7.88%
Hindalco Industries Ltd.	6.34%
Grasim Industries Ltd.	4.75%
Others	0.01%
<b>Total</b>	<b>42.25%</b>

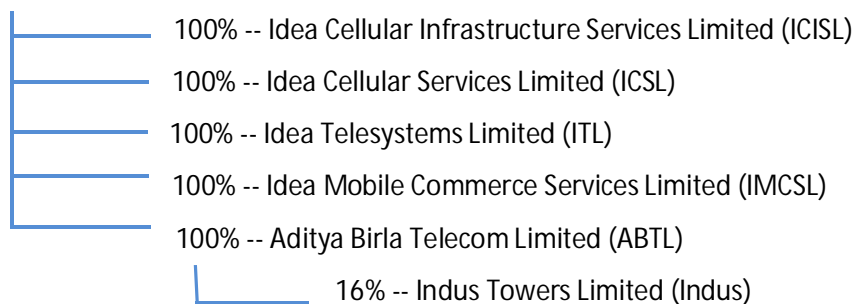
## B. Key Shareholders

**Axiata Group Berhad**, through its affiliates, has 19.78% shareholding in Idea Cellular. Axiata is one of the largest Asian telecommunication group focused on high growth low penetration emerging markets. The Group currently has controlling interests in its mobile communications operations in Malaysia, Indonesia, Sri Lanka, Bangladesh and Cambodia as well as significant strategic stakes in India and Singapore through its various subsidiaries and affiliates. The Group, including its subsidiaries and associates, has over 260 million mobile subscribers in Asia and provides employment to 25,000 people across Asia.

**Providence Equity Partners**, through its affiliates has a 6.81% shareholding in Idea, and has also invested INR 20,982 mn in ABTL through Compulsorily Convertible Preference Shares.

## C. Corporate Structure

Idea Cellular Limited (Idea)



ICISL – A tower company owning towers in Bihar and Orissa service areas.

ICSL – Provides manpower services to Idea.

ITL – Engaged in the business of sale and purchase of communication devices.

IMCSL – To promote mobile banking related initiatives.

ABTL – Holds 16% shareholding in Indus and engaged in business of sale & purchase of communication devices.

Indus – A joint venture between Bharti Infratel, Vodafone Essar and Idea (through ABTL), to provide passive infrastructure services in 15 service areas.



## D. Business Segments

### 1. Mobile Operations –

- **Voice Business** - Idea provides Pan India GSM mobile services in all 22 service areas of India. In the March'15 spectrum auction Idea has successfully secured 900 MHz spectrum in all nine service areas due for the telecom licenses expiring in December 2015/April 2016, ensuring continuity of existing business for its 112 million subscribers (~67% of the customer base). After including 7 new telecom licenses and spectrum acquired in November 2012 auction, Idea has achieved amongst the highest renewal of 16 out of 22 service areas, laying solid foundation for growth of business till year 2035 (2032 for 7 licenses).

For the purpose of reporting the mobile business of Idea is segregated as 15 Established Service Areas (evolved with time in terms of profitability) and 7 New Service Areas (launched in FY10, spectrum reacquired in 2012 and gestating in terms of profitability).

Below table provides the details of future spectrum expiry

Name of Circles	No. of Circles	Spectrum Band	Year of Expiry	Remaining Period of Spectrum
Delhi, Rajasthan, UPE, H.P.	4	1800 MHz	2021	~6 years
Mumbai, Bihar	2	1800 MHz	2026	~11 years
Kolkata, West Bengal, TN, Orissa, Assam, J&K, NESA	7	1800 MHz	2032	~18 years
Kerala, MP, Maharashtra, UPW, AP, Haryana, Gujarat, Punjab, Karnataka	9	900 MHz	2035/36	20 years

- **Data Business**

**3G Service and Spectrum Profile** - Idea provides 3G services in 21 service areas of India (except Orissa), including through Intra-Circle Roaming (ICR) arrangements with other operators. In the month of March 2015, Idea launched its 3G services for the Delhi metro service area on 900 MHz spectrum band. Further, in March'15 spectrum auction Idea won 5 MHz spectrum in 2100 MHz frequency band for Kolkata service area. Post Kolkata 3G service launch, the 3G foot-print of Idea's own 3G spectrum will cover 13 service areas which account for over 79% of its revenue, ~74% of subscribers and ~60% of national mobile industry revenue.

**LTE (4G) Spectrum Profile** – In February 2014 auction, Idea won 60.2 MHz spectrum in 1800 frequency band including LTE compatible contiguous blocks of 5/10MHz in 8 service areas along with top-up GSM spectrum in 7 service areas. The 45 MHz contiguous spectrum in 1800 MHz (out of 60.2 MHz) in the 8 service areas of Kerala (10 MHz), Maharashtra & Goa, Andhra Pradesh, Karnataka, Madhya Pradesh & Chhattisgarh, Punjab, Haryana and North East (5MHz each) provides opportunity to offer 4G LTE services. For the service areas of Maharashtra, Punjab, Haryana and North East spectrum won is currently for partial service area.



In March'15 spectrum auction, Idea won 20.4 MHz spectrum in 1800 band including LTE compatible contiguous blocks of 5MHz in 2 additional service areas along with top-up GSM spectrum in 4 service areas. The 10 MHz contiguous spectrum in 1800 MHz (out of 20.4 MHz) in the 2 service areas of Tamil Nadu and Orissa provides opportunity to offer 4G LTE services in these service areas and expands LTE spectrum footprint of Idea to 10 service areas. These 10 service areas represent ~61% of Idea's revenue and ~50% of national mobile industry revenue and provides Idea an opportunity to offer LTE services to existing 94.7 million Idea subscribers. The Broadband spectrum profile (3G or 4G) of Idea covers ~87% of Idea revenue and ~78% of Industry revenue.

Idea has initiated multiple steps towards introduction of 4G LTE services on 1800 MHz spectrum band in all these 10 service areas in a phased manner from calendar year 2016 onwards. The company is also revisiting its existing Value Added Services offering and intends to introduce its own range of 'Digital Services' across various categories like entertainment, information, communication, utilities and API services etc. in next financial year.

**2. Long Distance Services and ISP** – Idea holds licenses for NLD, ILD, ISP and IP-1 services. Idea NLD currently carries around 98.6% of its captive NLD minutes. Idea ILD services now handle around 99% of captive ILD outgoing minutes, besides bringing large volume of incoming minutes from top international carriers across the globe. In FY12 Idea launched its ISP services to cater to the captive requirement of its mobile business. It also offers ISP services to external customers like small ISP and enterprise customers for their wholesale Internet backhaul needs. Idea ISP currently handles all captive subscriber traffic requirements.

Idea is consistently investing in optical fibre cable (OFC) transmission network to tap the future potential of wireless broadband and currently has laid and energised over 100,400 km OFC, in comparison to over 77,000 km two years back (Q2FY14). Idea, now has over 5,750 OFC PoPs (3G & 2G) in all Circles. The fibre backhaul network of the company optimally serves our 2G/ 3G/ NLD/ ILD/ ISP/Wireless Broadband needs. Idea has also introduced worlds' latest high capacity 100G DWDM network technology to cater to rising data demand.

Details with reference to NLD & ILD traffic and ISP & OFC capacity are as follows –

	Unit	For the Quarter					Growth	
		Q2FY16	Q1FY16	Q4FY15	Q3FY15	Q2FY15	QoQ	YoY
Total NLD Minutes	mn	16,287	16,335	15,946	15,017	14,872	-0.3%	9.5%
Total ILD Minutes	mn	2,747	2,559	2,175	2,089	2,206	7.3%	24.5%
ISP Capacity*	Gbps	152.7	125.0	124.0	94.1	76.1	22.1%	100.6%
Optical Fibre Cable (OFC)*	KM	1,00,400	95,100	93,400	90,200	87,600	5.6%	14.6%

\*Approx capacity



### 3. Idea Mobile Banking Services

- **Bank led Model - NEFT and IMPS (Money Transfer Service)**

National Electronic Funds Transfer (NEFT) and Immediate Payment Service (IMPS) is a facility through which the customers can transfer funds to any Bank account across India at their own convenience by visiting any of our NEFT/ IMPS retailers and avail the services as Over the Counter (OTC) service. NEFT money transfer over the counter services were launched in November, 2013 and later IMPS services were added in April, 2014. Delhi and Mumbai are the 'originating' and leading circles in the space of 'Money Transfer' business. Idea plans to increase the coverage of the service in existing locations and expand to new geographies later.

- **Prepaid Payment Instrument (PPI)**

PPI is commonly known as semi closed wallet. RBI granted Idea Certificate of Authorisation for PPI in November 2013. Idea commenced PPI services in Mumbai in July 2014, UPE in December 2014 and recently in Bihar (July 15) and currently covers select cities in UPE and Bihar. The company offers both cash and web loading (through net banking) into the wallets. With PPI wallet balance one can recharge mobile of Idea and other operator's prepaid accounts, recharge DTH accounts, pay bills and make mobile digital wallet to digital wallet and wallet to bank account transfers. These wallet accounts can be opened with minimum KYC for balance up to Rs. 10,000/-. Idea is expanding coverage of these services to other cities in a phased manner.

Idea as of 30<sup>th</sup> September, 2015 has 1,50,000 PPI digital wallet active & efforts are on to exponentially increase the number of active PPI digital wallet users.

- **Payment Bank**

RBI has given in principle approval to set-up the Payments Bank to Aditya Birla Nuvo Limited (ABNL) as promoter, on 7<sup>th</sup> September, 2015. ABNL (51%) jointly with Idea (49%) is planning to setup payment bank. The Joint Venture will apply for award of license subject to fulfilment of certain regulatory pre-requisites. The Joint Venture partners in the meantime are gearing to launch Consumer Services by second half of Calendar Year 2016 and intends to ride on the strength of Idea's 2 Million+ retail distribution channel across 375,000 towns & villages and ABNL's experience of successfully promoting and scaling up a number of consumer centric businesses.





## 4. Spectrum Auction Update

Idea cellular participated in the four (4) Spectrum auctions since 2010 and prudently acquired spectrum to improve its competitive standing in the market. Company won 3G spectrum in 11 service areas in 2010 spectrum auction including all 8 of its established service areas. In November 2012 spectrum auction Idea reacquired its 7 cancelled licenses and ensured that its pan India presence continues. In Feb 2014 auction Idea won 65.2 MHz spectrum including 900 MHz spectrum for 3G in Delhi service area, expanding its 3G footprint to 12 service areas and 45 MHz of 1800 MHz LTE spectrum in 8 service areas.

In March 2015 Spectrum Auction, Idea won 79.4 MHz of spectrum, including 54 MHz in 900 MHz band ensuring continuity of services in 9 service areas where license are due for expiry in December 2015/April 2016. Idea also expanded its 3G spectrum footprint to 13th service area; Kolkata Metro, covering 79% of Idea revenue base and acquired 1800 MHz LTE spectrum in service areas of Tamil Nadu (incl. Chennai) and Orissa, expanding LTE spectrum to 10 service areas covering 61% of its revenue base.

Idea, post allocation of the spectrum won in March 2015 auction, will have 237.1 MHz of spectrum acquired in auction i.e. 87.6% spectrum out of total spectrum holding of 270.7 MHz. Idea now has auction acquired spectrum for running its operations in 16 out of 22 service areas of India being the highest number of circles for any operator. The spectrum acquired through auction provides flexibility to offer any service (2G, 3G or 4G), based on the consumer demand and development of eco-system. The following table summarizes capability of Idea to offer GSM, 3G and 4G services.

Circles	Capability to offer (No. of Circles)		
	2G	3G	4G
8 Established Circles	8	8	6
7 Emerging Circles	7	3	1
7 New Circles	7	2	3
<b>Total</b>	<b>22</b>	<b>13</b>	<b>10</b>
% of Revenue Covered – Idea / Industry	100% / 100%	79% / 60%	61% / 50%
% of Subscriber Covered – Idea / Industry	100% / 100%	74% / 59%	57% / 48%



## 5. Strength Areas

### A. Competitive Spectrum Profile

Following table provides the details regarding spectrum holding of Idea across all 22 service areas

Circles	Current Spectrum Profile (in MHz)					Capability to Offer		
	900	1800 GSM	1800 LTE	2100	Total	GSM	3G	LTE
Maharashtra	9.0	4.0	5.0*	5.0	23.0	✓	✓✓	✓
Kerala	6.0		10.0	5.0	21.0	✓	✓	✓✓
M.P.	7.4	2.0	5.0	5.0	19.4	✓	✓	✓
Punjab	5.6	3.0	5.0*	5.0	18.6	✓	✓	✓
Haryana	6.0	1.0	5.0*	5.0	17.0	✓	✓	✓
Andhra Pradesh	5.0	1.0	5.0	5.0	16.0	✓	✓	✓
HP		9.2**		5.0	14.2	✓	✓	✗
Delhi	5.0	8.6			13.6	✓	✓	✗
UP (W)	5.0	2.2**		5.0	12.2	✓	✓	✗
Gujarat	5.0	1.6		5.0	11.6	✓	✓	✗
Tamil Nadu		6.4	5.0		11.4	✓	✗	✓
UP (E)		6.2		5.0	11.2	✓	✓	✗
Karnataka	5.0	1.0	5.0		11.0	✓	✗	✓
North East		6.0**	5.0*		11.0	✓	✗	✓
J&K		5.0		5.0	10.0	✓	✓	✗
Kolkata		5.0		5.0	10.0	✓	✓	✗
Orissa		5.0	5.0		10.0	✓	✗	✓
Mumbai		6.4			6.4	✓	✗	✗
West Bengal		6.25			6.25	✓	✗	✗
Rajasthan		6.2			6.2	✓	✗	✗
Bihar		5.65			5.65	✓	✗	✗
Assam		5.0			5.0	✓	✗	✗
<b>Total Spectrum</b>	<b>59.0</b>	<b>96.7</b>	<b>55.0</b>	<b>60.0</b>	<b>270.7</b>			
Number of markets where Idea can deploy						22	13+1 <sup>#</sup>	10+1 <sup>#</sup>
Industry Revenue Contribution %						100%	60%	50%
Idea Revenue Contribution %						100%	79%	61%

\*Contiguous block of 5 MHz (1800 MHz) spectrum is not available in Pune and Nasik for Maharashtra, Amritsar & Ludhiana for Punjab, Sirsa for Haryana and Khasi Hill & Tawang for North East Service Area

\*\*4.0 MHz in HP, 1.8MHz in UPW and 1 MHz in North East is partially available.

<sup>#</sup> Second Carrier

### B. Idea's Eight Leadership Geographies (~41% of National Mobile Industry Revenue)

The incumbency advantage coupled with the benefit of 900 MHz GSM spectrum and 3G services gives Idea an absolute leadership status in eight service areas with combined RMS of 30.9% (Q1FY16). These 'service areas' contribute ~41% of national mobile industry revenue and ~68% of Idea's revenue. In spite of intense market



competition, Idea has improved its revenue market share by 2.5% in these 8 service areas over last one year to 30.9% (Q1FY15 RMS 28.4%) delivering 69.5% incremental RMS on YoY basis in Q1FY16.



Service Area	RMS Q1FY16*	RMS Rank	Spectrum Profile
Kerala	41.6%	1	2G/3G/4G
M.P.	41.2%	1	2G/3G/4G
Maharashtra	33.3%	1	2G/3G/4G
UP (W)	31.8%	1	2G/3G
Haryana	27.6%	2	2G/3G/4G
Punjab	25.7%	2	2G/3G/4G
A.P.	24.3%	2	2G/3G/4G
Gujarat	22.9%	2	2G/3G
<b>Total</b>	<b>30.9%</b>	<b>1</b>	

Incremental RMS@**69.5%** Q1FY16 vs Q1FY15

\*Gross Revenue for Mobile & UAS Licenses released by TRAI

Idea has rolled out 3G services in all these 8 strategically important service areas including launch of 3G services in Punjab service area during first quarter of FY15. Idea's GSM, 3G and 4G spectrum footprint in these 8 service areas (6 for 4G / LTE) places the company in an advantageous competitive position to continue its march of strengthening its competitive market standing both in subscribers and revenue terms.

### C. Idea's Seven Emerging Geographies (~39% of National Mobile Industry Revenue)

Over the last few years, Idea has strengthened its position in 7 emerging service areas, where it was a late entrant with 1800 MHz spectrum (except Karnataka service area with 900 MHz spectrum). The emergence of Idea as a significant player in these 7 service areas reaffirms Idea's intrinsic competitive capabilities.

Idea provides 3G services in 3 of these service areas i.e. UP (E), H.P. and Delhi (on 900 MHz spectrum won in Feb'14 and ICR arrangement) and has capability to launch 4G in Karnataka. These 7 emerging service areas with high growth potential contribute over 26% of Idea's revenue and represent over 39% of national mobile industry revenue. Idea has improved its revenue market share (RMS) by 0.7% in these service areas over last one year to 12.4% in Q1FY16 (Q1FY15 RMS 11.7%) delivering 22.5% incremental RMS on YoY basis v/s Q1FY15.

SERVICE AREA	RMS Q1FY16*	RMS RANK	SPECTRUM PROFILE
Bihar	13.6%	2	2G
H.P.	12.8%	2	2G/3G
UPE	14.3%	3	2G/3G
Rajasthan	13.5%	3	2G
Delhi	12.3%	3	2G/3G
Karnataka	11.1%	4	2G/4G
Mumbai	10.5%	4	2G
<b>Total</b>	<b>12.4%</b>	<b>3</b>	

Incremental RMS @ **22.5%** - vs Q1FY16 vs Q1FY15

\*Gross Revenue for Mobile & UAS Licenses released by TRAI



## D. Idea's Seven New Growth Geographies (~20% of National Mobile Industry Revenue)

Idea was among the last entrants for GSM services in 7 New Service Areas namely; Tamil Nadu, Kolkata, West Bengal, Orissa, J&K, Assam and North East using 1800 MHz spectrum acquired in November 2012 auction. These seven new growth geographies represent ~20% of Indian Mobility Market but currently contribute ~6% of Idea revenue. As we build our network and improve brand presence in these geographies, due to front loading of

investments, the company, as per planned business model, has a quarterly EBITDA loss at Rs. 1,775 million in Q1FY16. The present combined RMS in these 7 service areas is at 5.9% in Q1FY16. In last one year Idea has increased its RMS by 1.4% (vs Q1FY15). Idea remains committed to increase its competitive strength. The incremental RMS in these 7 new service areas between Q1FY16 to Q1FY15 is 34.6%, indicating good potential of improving Idea presence in these service areas. The company offers 3G services in the service area of J&K and

SERVICE AREA	RMS Q4FY15*	RMS RANK	SPECTRUM PROFILE
W.B.	8.8%	3	2G
J & K	6.3%	5	2G/3G
NESA	4.4%	5	2G/4G
Kolkata	7.0%	6	2G/3G
TN	5.1%	6	2G/4G
Assam	4.2%	6	2G
Orissa	5.1%	7	2G/4G
<b>Total</b>	<b>5.9%</b>	<b>6</b>	

Incremental RMS @ **34.6%** -Q1FY16 vs Q1FY15

\*Gross Revenue for Mobile & UAS Licenses released by TRAI

plans to offer 3G services in Kolkata on own (2100MHz) spectrum by the end of this year. The company is also plans to launch 4G services in 3 service areas of Tamil Nadu (incl. Chennai), Orissa and North East by next calendar year.

## E. 171 million Quality Subscriber Base\*

Idea is the sixth largest mobile telecommunications company (counted on operations in a single country) in the world based on number of subscribers (GSMA Intelligence, as of June 2015) currently servicing ~171 million VLR subscribers as of September 30, 2015. This large base of subscribers provides a great platform to the company to upgrade the pure voice customers to wireless data services in future.

Idea has always been vigilant in monitoring the quality of its subscriber base. The latest (August 2015) data released by the TRAI for active subscribers (VLR subscribers), reaffirms quality of Idea's subscriber base as among the best in terms of percentage of active subscribers. As of August 2015, Idea has 103.4% of reported subscribers as VLR subscribers, which is highest in the industry.



Source: TRAI\*

Idea's EoP subscriber market share (on VLR) at the end of August, 2015 stands at 19.1% (as against a reported subscriber markets share @ 16.6%) an improvement of 1.3% on YoY basis.



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In last 12 months from Sep'14 to Aug'15 Idea has added highest industry net VLR subscribers of 25.8 million against overall industry annual VLR subscriber growth at 78.6 million. The company is pleased to consistently add over 31% of industry Active Subscriber base. Today, nearly 1 out of 3 Indian who buy new connection, prefer Idea and 171 million subscribers milestone for the company opens multiple new vistas for growth.

#### **F. Leader in Mobile Number Portability Net Adds**

The Mobile Number Portability (MNP) was implemented nation-wide on 20th January, 2011 and nearly 143.3 million customers have availed of the MNP facility offered by Indian Mobile Industry. Also government has introduced National MNP (NMNP) from July 03, 2015. The trends emerging from MNP are clearly distinguishing the strong operators in terms of customers' preference for better quality of services and brand value. Over the last 57 months for in the MNP space, Idea has maintained leadership position on overall MNP Net Adds. As on September 30, 2015 Idea has a net MNP gain of 15.4 million customers from other telecom operators with one out of every four existing mobile customers, who chooses to port out from their existing mobile operator preferring to shift and stay with world class Idea services. Ideas MNP net customer growth has further accelerated in the Q2FY16.

#### **G. Tower Investment**

Indus towers, a joint venture between Bharti Infratel, Vodafone India and Idea Cellular (thru ABTL), is one of the world's leading tower company with 117,579 towers and tenancy ratio of 2.22 as of September 30, 2015. Idea (thru ABTL) holds 16% equity stake in Indus towers. Providence Equity Partners, through its entity P5 Asia Holding Investments (Mauritius) Limited, beneficially holds 1,925,000 compulsorily convertible preference shares, convertible into equity shares representing 30.3% of the total equity share capital post conversion of these preference shares of ABTL, which in turn reflects Providence Equity Partners' beneficial equity interest in Indus Towers of 4.85% (assuming no other change in the equity share capital of Indus Towers). The consolidated financials includes 16% consolidation from Indus Towers.

Besides investment in Indus Tower, Idea along with its subsidiary ICISL, owns 9,578 towers as on September 30, 2015. There are more than 15,400 tenants on these towers, resulting in tenancy ratio of 1.61.



## 6. Financial Highlights

### A. Standalone Profit & Loss Account (Rs mn)

	For the Quarter				
	Q2FY16	Q1FY16	Q4FY15	Q3FY15	Q2FY15
Gross Revenue	86,799	87,965	84,165	80,148	75,673
Opex	59,026	58,351	56,337	55,288	53,279
EBITDA	27,773	29,613	27,828	24,860	22,394
<b>EBITDA Margin</b>	<b>32.0%</b>	<b>33.7%</b>	<b>33.1%</b>	<b>31.0%</b>	<b>29.6%</b>
Depreciation & Amortisation	14,327	14,128	13,837	13,792	10,774
EBIT	13,446	15,486	13,991	11,068	11,621
Interest and Financing Cost (net)	2,516	2,559	816	720	1,176
Dividend from Indus*	-	-	1,602	-	1,026
PBT	10,930	12,926	14,777	10,348	11,470
Tax	3,829	4,525	4,700	3,565	3,676
<b>PAT</b>	<b>7,102</b>	<b>8,401</b>	<b>10,077</b>	<b>6,783</b>	<b>7,794</b>
<b>Cash Profit</b>	<b>25,318</b>	<b>25,531</b>	<b>26,149</b>	<b>20,286</b>	<b>18,155</b>

### B. Consolidated Profit & Loss Account (Rs mn)

	For the Quarter				
	Q2FY16	Q1FY16	Q4FY15	Q3FY15	Q2FY15
Gross Revenue	86,891	87,983	84,225	80,175	75,699
Opex	56,320	55,700	53,580	52,648	50,792
EBITDA	30,570	32,284	30,645	27,527	24,907
<b>EBITDA Margin</b>	<b>35.2%</b>	<b>36.7%</b>	<b>36.4%</b>	<b>34.3%</b>	<b>32.9%</b>
Depreciation & Amortisation	15,381	15,159	14,877	14,826	11,788
EBIT	15,190	17,125	15,768	12,700	13,119
Interest and Financing Cost (net)	2,726	2,792	1,052	983	1,445
PBT	12,464	14,333	14,715	11,717	11,675
Tax	4,371	5,024	5,298	4,046	4,116
<b>PAT</b>	<b>8,093</b>	<b>9,308</b>	<b>9,418</b>	<b>7,671</b>	<b>7,559</b>
<b>Cash Profit</b>	<b>27,360</b>	<b>27,437</b>	<b>26,602</b>	<b>22,216</b>	<b>18,971</b>

\*Dividend received from Indus is reflected in 'Standalone' PAT and Cash Profit. However, this dividend income gets eliminated in the 'Consolidated' financials.

Note: Forex Loss/Gain which was part of net interest & finance cost earlier, has been regrouped to Other Expenditure in Q2FY15 (impacting the EBITDA). Past period figures are restated.



## C. Revenue & Profitability Break-up (Rs mn)

Revenue Break-up	For the Quarter	
	Q2FY16	Q1FY16
Gross Revenue - Established Service Areas	81,045	82,517
Gross Revenue - New Service Areas	5,754	5,448
<b>Revenue - Idea Standalone</b>	<b>86,799</b>	<b>87,965</b>
Revenue Contribution - Indus (@16.00%)	6,389	6,231
Consolidation Eliminations	(6,297)	(6,212)
<b>Revenue - Idea Consolidated</b>	<b>86,891</b>	<b>87,983</b>

EBITDA Break-up	For the Quarter	
	Q2FY16	Q1FY16
EBITDA - Established Service Areas	29,548	31,310
EBITDA - New Service Areas	(1,775)	(1,697)
<b>EBITDA - Idea Standalone</b>	<b>27,773</b>	<b>29,613</b>
EBITDA Contribution - Indus (@16.00%)	2,797	2,671
<b>EBITDA - Idea Consolidated</b>	<b>30,570</b>	<b>32,284</b>

EBITDA Margin	For the Quarter	
	Q2FY16	Q1FY16
EBITDA % - Established Service Areas	36.5%	37.9%
EBITDA % - New Service Areas	-30.9%	-31.2%
<b>EBITDA % - Idea Standalone</b>	<b>32.0%</b>	<b>33.7%</b>
Derived EBITDA % Indus	43.8%	42.9%
<b>EBITDA % - Idea Consolidated</b>	<b>35.2%</b>	<b>36.7%</b>

Dep. & Amort. Break-up	For the Quarter	
	Q2FY16	Q1FY16
Dep & Amort. - Idea Standalone	14,327	14,128
Dep. & Amort. Cost from Indus (@16.00%)	1,054	1,031
<b>Dep. &amp; Amort. - Idea Consolidated</b>	<b>15,381</b>	<b>15,159</b>

EBIT Break-up	For the Quarter	
	Q2FY16	Q1FY16
EBIT - Idea Standalone	13,446	15,486
EBIT Contribution - Indus (@16.00%)	1,743	1,639
<b>EBIT - Idea Consolidated</b>	<b>15,190</b>	<b>17,125</b>

Interest & Finance Cost Break-up	For the Quarter	
	Q2FY16	Q1FY16
Gross Interest Cost - Idea Standalone	2,845	3,764
Gross Interest Income - Idea Standalone	(329)	(1,204)
<b>Int. &amp; Fin. Cost (net) - Idea Standalone</b>	<b>2,516</b>	<b>2,559</b>
Int. & Fin. Cost (net) from Indus (@16.00%)	210	233
<b>Int &amp; Fin Cost (net) - Idea Consolidated</b>	<b>2,726</b>	<b>2,792</b>

Dividend from Indus		
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Tax Break-up	For the Quarter	
	Q2FY16	Q1FY16
Tax - Idea Standalone	3,829	4,525
Tax - Indus (@16.00%)	542	499
<b>Tax - Idea Consolidated</b>	<b>4,371</b>	<b>5,024</b>

PAT Break-up	For the Quarter	
	Q2FY16	Q1FY16
PAT - Idea Standalone	7,102	8,401
PAT Contribution - Indus (@16.00%)	991	907
Indus Dividend Elimination	-	-
<b>PAT - Idea Consolidated</b>	<b>8,093</b>	<b>9,308</b>

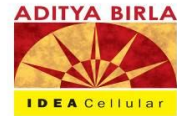
**Note 1:** Impact of the joint venture is presented to provide a perspective to Idea's consolidated financials. Due to differences in accounting treatment, these may not be representative of the financial statements of joint ventures.



## D. Balance Sheet (Rs mn)

Particulars	Idea Standalone - As on		Idea Consolidated - As on	
	30-Sep-15	31-Mar-15	30-Sep-15	31-Mar-15
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Equity Share Capital	35,996	35,978	35,996	35,978
Reserves & Surplus	2,08,296	1,92,540	2,11,666	1,94,295
	<b>2,44,292</b>	<b>2,28,518</b>	<b>2,47,663</b>	<b>2,30,273</b>
Compulsorily Convertible Preference Shares	19	19	19	19
<b>Non-Current Liabilities</b>				
Long-Term Borrowings	2,16,920	1,60,065	2,21,715	1,66,032
Deferred Tax Liabilities (Net)	22,977	16,243	25,714	19,015
Other Long-Term Liabilities	28,143	11,719	25,852	9,633
Long-Term Provisions	3,397	2,843	6,367	5,735
	<b>2,71,437</b>	<b>1,90,870</b>	<b>2,79,647</b>	<b>2,00,415</b>
<b>Current Liabilities</b>				
Short-Term Borrowings	24	1,514	799	2,073
Trade Payables	31,204	29,952	31,827	30,974
Current maturities of long term debt	18,449	97,175	21,012	1,00,486
Other Current Liabilities	45,492	35,843	47,249	37,406
Short-Term Provisions	1,873	2,994	1,967	3,021
	<b>97,043</b>	<b>1,67,478</b>	<b>1,02,854</b>	<b>1,73,960</b>
<b>Total</b>	<b>6,12,792</b>	<b>5,86,885</b>	<b>6,30,183</b>	<b>6,04,668</b>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
<b>Fixed Assets</b>				
Tangible Assets	1,90,341	1,81,328	2,21,877	2,13,136
Intangible Assets	1,41,319	1,42,159	1,41,349	1,42,200
Capital Work-in-Progress	1,38,603	50,804	1,39,266	51,405
	<b>4,70,263</b>	<b>3,74,290</b>	<b>5,02,492</b>	<b>4,06,741</b>
Goodwill	17,799	17,799	61	61
Long-Term Loans and Advances	86,670	41,324	88,165	42,752
Other Non-Current Assets	183	89	183	458
	<b>5,74,915</b>	<b>4,33,503</b>	<b>5,90,902</b>	<b>4,50,013</b>
<b>Current Assets</b>				
Current Investments	13,531	1,15,267	13,867	1,15,267
Inventories	755	710	755	710
Trade receivables	10,377	9,440	10,749	9,789
Cash and Bank Balance	553	15,446	774	15,537
Short-term loans and advances	12,660	11,456	13,137	12,290
Other current assets	0	1,062	0	1,062
	<b>37,877</b>	<b>1,53,382</b>	<b>39,282</b>	<b>1,54,656</b>
<b>Total</b>	<b>6,12,792</b>	<b>5,86,885</b>	<b>6,30,183</b>	<b>6,04,668</b>





## 7. Key Performance Indicators

### A. Financial Indicators – Idea Standalone

Parameters	Unit	For the Quarter				
		Q2FY16	Q1FY16	Q4FY15	Q3FY15	Q2FY15
Gross Revenue	INR Mn	86,799	87,965	84,165	80,148	75,673
Growth QoQ	%	-1.3%	4.5%	5.0%	5.9%	0.1%
EBITDA	INR Mn	27,773	29,613	27,828	24,860	22,394
EBITDA	%	32.0%	33.7%	33.1%	31.0%	29.6%
EBIT	INR Mn	13,446	15,486	13,991	11,068	11,621
EBIT	%	15.5%	17.6%	16.6%	13.8%	15.4%
Gross Revenue/min	paisa	45.8	44.9	45.5	47.0	46.6
EBIT/min	paisa	7.1	7.9	7.6	6.5	7.2
Gross Fixed Assets (excl. CWIP)	INR Mn	5,98,089	5,78,035	5,63,037	5,12,646	4,74,603
Annualised Revenue/Gross Fixed Assets	%	58.1%	60.9%	59.8%	62.5%	63.8%
Gross Revenue per 2G Site/Month (INR)	INR	2,46,395	2,57,272	2,52,410	2,45,622	2,35,991

Note: Forex Loss/Gain which was part of net interest & finance cost earlier, has been regrouped to Other Expenditure (impacting the EBITDA). Past period figures are restated.

### B. Operational Indicators – Idea Standalone

Overall Business	Unit	For the Quarter				
		Q2FY16	Q1FY16	Q4FY15	Q3FY15	Q2FY15
Subscriber Base (EoP) (2G+3G)	mn	166.6	162.1	157.8	150.5	143.6
VLR Subscribers (EoP)	mn	170.8	165.8	161.4	152.2	144.5
Net VLR Subscriber addition	mn	5.0	4.4	9.2	7.7	3.6
Pre-paid Subs (% of EoP subscribers)	%	95.6%	95.6%	95.6%	95.7%	95.7%
3G Device Penetration (on EoP Subscribers)	%	29.2%	26.1%	23.1%	18.7%	17.0%
3G Subscribers (Voice+Data) (EoP)	mn	24.5	21.3	18.7	16.1	13.3
2G Coverage - No. of Census Towns	no.	7,527	7,513	7,475	7,422	7,417
2G Coverage - No. of Villages	no.	3,70,320	3,63,580	3,57,321	3,54,011	3,49,856
2G Coverage - Population	Mn	966	957	948	942	938
3G Coverage - No. of Census Towns	no.	3,584	3,394	3,187	3,065	2,897
3G Coverage - No. of Villages	no.	42,091	29,378	22,919	19,882	16,435
3G Coverage - Population	Mn	306	276	245	236	223

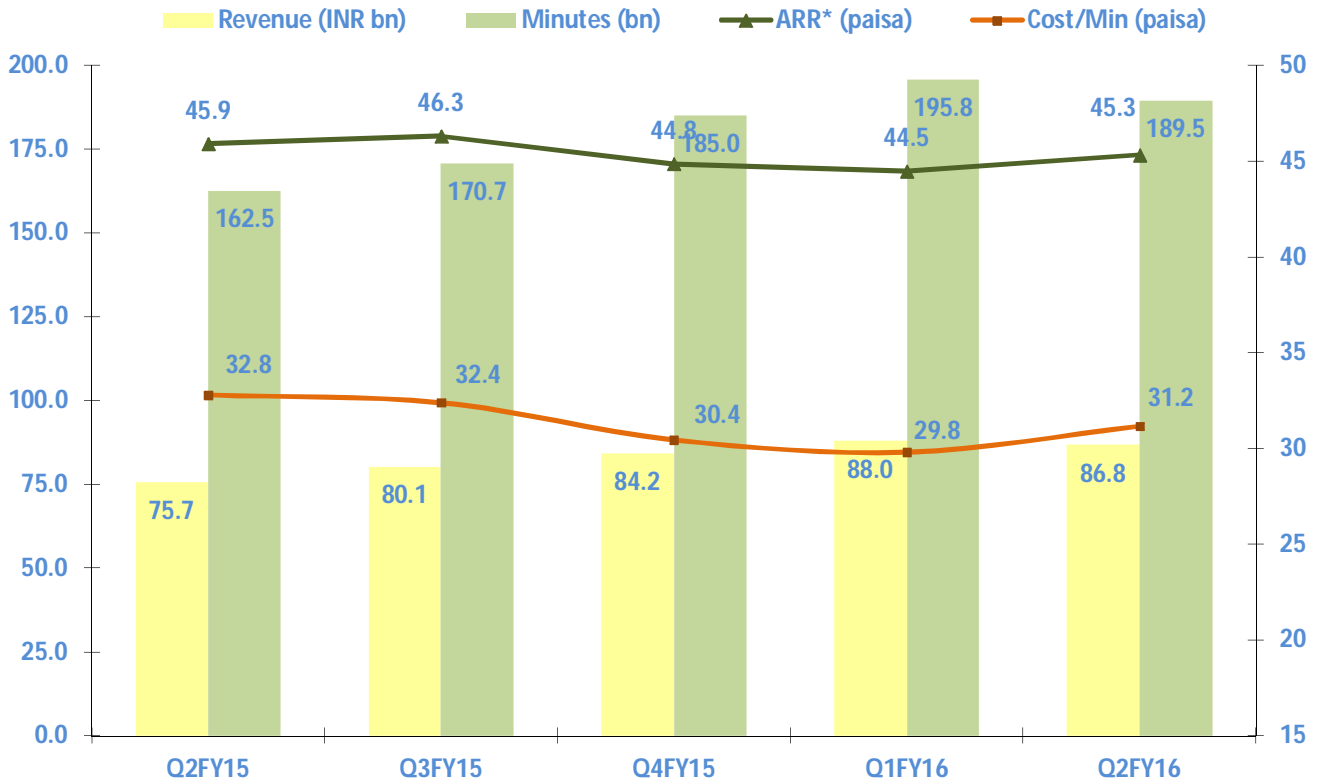


Overall Business	Unit	For the Quarter				
		Q2FY16	Q1FY16	Q4FY15	Q3FY15	Q2FY15
Average Revenue per User (ARPU)	INR	175	182	179	179	176
Average Voice Revenue Per User (Voice ARPU)	INR	126	134	135	138	139
Average Minutes of Use per User (MoU)	min	386	408	400	388	384
Average Realisation per Minute (ARPM)	paisa	45.3	44.5	44.8	46.3	45.9
Average Realisation per Minute (Voice ARPM)	paisa	32.7	32.9	33.9	35.6	36.2
Post-paid Churn	%	3.2%	3.1%	2.6%	2.7%	2.7%
Pre-paid Churn	%	5.2%	4.7%	4.7%	4.3%	5.1%
Blended Churn	%	5.1%	4.7%	4.6%	4.2%	5.0%
Total Minutes of Use	mn	1,89,452	1,95,752	1,85,028	1,70,706	1,62,454
Total 3G Cell Sites (EoP)	no.	39,867	33,621	30,291	27,744	25,164
Total 2G Cell Sites (EoP)	no.	1,19,276	1,15,575	1,12,367	1,09,931	1,07,605
Towers - Rented Indus (EoP)	no.	63,287	61,593	60,161	58,799	57,320
Towers - Rented Others (EoP)	no.	46,489	44,508	42,709	41,665	40,852
Owned Towers (EoP)	no.	9,578	9,532	9,557	9,521	9,488
Tenancy Ratio - Owned Towers	times	1.61	1.61	1.60	1.59	1.58
Manpower on Rolls (EoP)	no.	16,218	15,776	15,470	15,088	14,978
<b>Non-Voice and Data Business (2G+3G)</b>						
VAS as a % of Service Revenue	%	27.9%	26.1%	24.5%	23.1%	21.1%
Data as a % of Service Revenue	%	19.6%	17.7%	16.9%	15.7%	14.0%
Non-Data VAS as a % of Service Revenue	%	8.2%	8.4%	7.6%	7.4%	7.1%
Total Data Subscribers (2G+3G)*	000	41,334	37,156	33,424	34,155	30,927
Total Data Volume (2G+3G)	Mn MB	72,013	62,677	54,510	46,077	39,428
Blended Data ARMB	paisa	23.4	24.6	25.7	26.9	26.5
Data ARPU for Data Subscriber (2G+3G)	INR	144	147	150	126	119
Data Usage by Data Subscriber (2G+3G)	MB	615	599	586	470	447
3G Data Subscribers	000	19,585	16,660	14,512	12,945	10,521
3G Data Volume	Mn MB	43,051	36,031	30,680	24,977	19,786
3G Data ARPU for 3G Data Subscriber	INR	202	203	209	197	195
3G Data Uages by 3G Data Subscribers	MB	802	778	777	705	693

\*Refer revised definition for Data Subscriber

## 8. Management Discussion & Analysis

### A. Global Scale of Operations

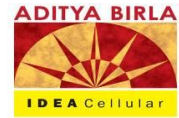


\*Calculated by dividing service revenue (excl. infrastructure and device revenue) by total Minutes of Use

### B. Strong Operating Performance

With increasing proportion of rural subscribers, the seasonal slowdown in the second quarter is more pronounced this financial year resulting in sharp contraction on sequential quarterly basis in the 'Voice Minutes of Use' by 3.2% to 189.5 billion compared to 195.8 billion minutes in Q1FY16. Further, due to reduction in mobile incoming IUC charges settlement rate from 20p to 14p/min from March 01, 2015, reduction in national roaming call charges & SMS rate between 20%-75% effective from May 01, 2015 and pressure on Mobile Data realised rate as the competition intensifies in mobile broadband, the industry revenue growth rate in first six months of the Financial Year 2015-16 vs H1FY15 is trending to low 6 - 6.5% against 10.3% growth rate in H1FY15 vs H1FY14.

In comparison, Idea's long term business trends remain robust and company is on course of its mission of consistent, competitive, responsible and profitable growth. This quarter Idea standalone revenue has grown by 14.7% on YoY basis (growth of 18.9% post normalization of IUC settlement) to Rs. 86,799 million against Rs. 75,673 million in Q2FY15. The primary factor for revenue growth was volume led drivers including a) 26.3 million active subscriber addition in the year, b) Expansion of YoY voice minutes @ 16.6% and c) Annual 82.6% Mobile Data (2G+3G) volume growth to 72 billion



MB though decline in Voice Realised Rate @ 9.8% YoY (including IUC impact) and Mobile data realised rate @ 11.8%, depressed overall revenue growth.

In Q1FY16, the company further strengthened its 'Revenue Market Share' to 18.7% (YoY increase of 1.6%) and Subscriber VLR market share as on August 2015 to 19.1%, an improvement of 1.3% in last one year. Idea clocked 26.3 million net subscriber VLR addition between October 2014 to September 2015, against 20.9 million addition in the same period previous year, is now serving 170.8 million quality customers and confirming India's subscriber growth story is intact.

The company was able to contain, on sequential quarterly basis, voice rate decline to only 0.2p/minute, @ 32.7p/minute for Q2FY16 but the blended Mobile Data Average Realisation per MB (ARMB) fell by 1.2p/MB to 23.4p/MB in Q2FY16 from 24.6p/MB (Q1FY16). The Non-voice revenue contribution improved to 27.9% this quarter against 21.1% a year earlier.

The net mobile data customer base (2G+3G) has risen by 4.2 million to 41.3 million with 24.8% of overall Idea subscriber base using Idea 2G or 3G platform to access internet. While in last one year 23 million net new subscribers were added but only 10.4 million net existing Idea subscribers upgraded to Idea Mobile Data service usage. With expansion of Idea own 3G coverage in 12 circles and slated Idea 3G launch in Kolkata Metro service area shortly, net new data subscriber addition is expected to accelerate. The higher Mobile Data usage per data customer @615 MB (447 MB in Q2FY15) helped improve the blended Mobile Data ARPU to Rs. 144 in Q2FY16 (vs Rs. 119 in Q2FY15).

Over the last one year, the 3G data subscriber base for the company has grown by 86% with addition of 9.1 million new 3G data customers, now serving 19.6 million 3G data customers. The data ARPU of a 3G data customer is Rs. 202 in Q2FY16 in addition to consumer spends on Voice and Non-Data VAS. While Mobile data rate has been under pressure (11.8% YoY decline), the faster 3G adoption has led to robust volume growth of overall mobile data traffic (2G+3G) by nearly 1.83 times from 39.4 billion MB in Q2FY15 to 72 billion MB in Q2FY16.

To support this exponential Voice and Mobile Data growth & continue our network coverage expansion, Idea capex spend in Q2FY16 is Rs. 17,266 million (excluding interest & exchange rate difference capitalization), adding 9,947 (2G+3G) sites and ~5,300 km of OFC to reach 100,400 km of fibre spread across the country. Today Idea network spreads to 80% of Indian population at ~965 million for GSM services and ~305 million Indian population on its own spectrum 3G services (excl. Kolkata). The Cash profit of Rs. 25,318 million for the quarter was sufficient to support the capex spent.

In spite of higher subscriber addition & Network expansion, Idea standalone EBITDA grew on YoY basis by 24% in Q2FY16 and stands at Rs. 27,773 million, helping EBITDA margin to improve YoY by 2.4% to 32%. But, due to seasonally weak quarter, the sequential quarterly EBITDA margin declined by 1.7%. The company delivered Rs. 7,102 million 'Profit After Tax' in comparison to PAT at Rs. 6,768 million (excl. Indus dividend of Rs. 1,026 million) in Q2FY15.



At consolidated level including 16% of Indus contribution, on YoY basis the gross revenue in Q2FY16 has grown by 14.8% to Rs. 86,891 million, the EBITDA at Rs. 30,570 million grew by 22.7%, EBITDA margin improved by 2.3% to 35.2% and Q2FY16 PAT stands at Rs. 8,093 million.

Having made prudent acquisition for mobile broadband spectrum on 1800 MHz during the last two spectrum auctions in February 2014 and March 2015, Idea is at a path defining juncture in its history as the company prepares to launch its 4G LTE services in 10 service areas. In its initial phase Idea intends to roll out its 4G services across 10 telecom service areas over 750 large & small towns by first half of 2016, including Idea's leadership markets of Maharashtra & Goa, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Kerala, Punjab and Haryana and 4 emerging markets of Karnataka, Orissa, Tamil Nadu and North East. This large built up of Mobile data 3G & 4G capacities is being augmented by providing consumers more internet avenues in form of digital services. The company plans to introduce from next financial year, Idea branded digital services applications like Idea Music, Idea Games, Idea Movies, Idea API & Idea Digital Wallets etc. with special focus on regional & vernacular content through planned investments in platforms & partnership in application & content.

Given the large Mobile Data & Rural voice opportunities, Idea with increasing consumer affinity, steady cash flows, deep rural 2G presence, expanding 3G network footprint & planned 4G LTE network launch the company remains confident to further strengthen its market competitive standing and emerge stronger.

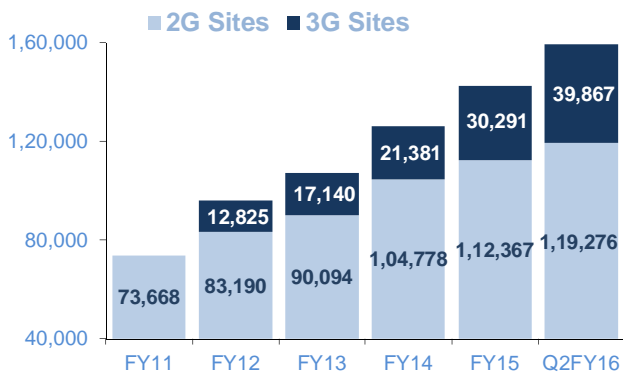
### C. Impact of Forex and Balance Sheet

The capex and net debt amounts reflecting in our balance sheet are higher by Rs. 941 million each due to capitalisation of amount relating to foreign exchange difference during the quarter on long term loans taken for acquiring fixed assets.

The Net Debt to Annualised EBITDA ratio stands at 1.99. The Net-Worth of Rs. 244,292 million combined with an average (current and preceding three quarters) Cash Profit of -Rs. 24,300 million per quarter provides a solid foundation to support the company's growth plan.



## D. Capex



Idea rolled out 3,701 2G cell sites and 6,246 3G cell sites during the quarter, taking Network EoP site count for 2G to 119,276 and 39,867 for 3G sites.

The total addition to the Gross Block including CWIP (excluding capitalised forex fluctuation of Rs. 941 million, capitalised interest of Rs. 3,397 million and spectrum capitalisation) for the quarter was Rs. 17,266 billion.

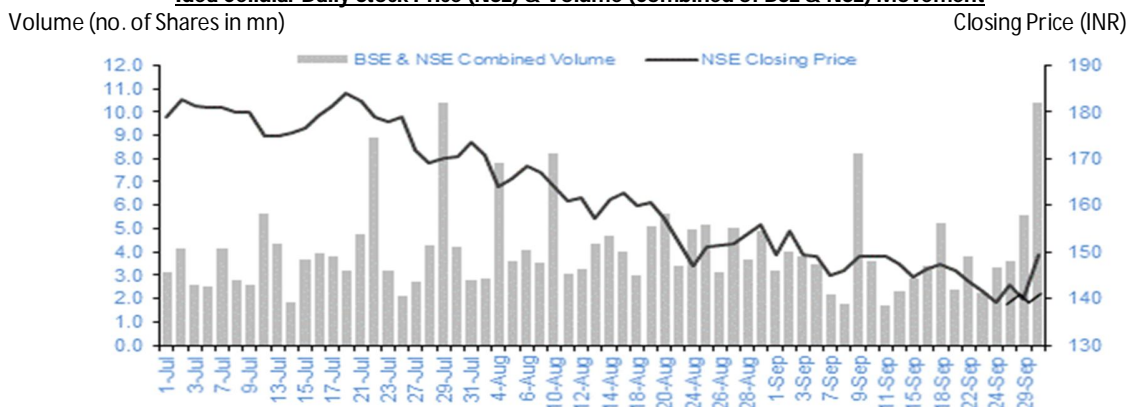
The capex guidance for FY16 stands at Rs. 60 – Rs. 65 billion (excluding any spectrum related payment).



## 9. Stock Market Highlights

General Information		
BSE Code		532817
NSE Symbol		IDEA
Reuters		IDEA.BO/IDEA.NS
No of Shares Outstanding (30/09/2015)	mn	3599.61
Closing Market Price - NSE (30/09/2015)	INR/share	149.50
Combined Volume (NSE & BSE) (01/10/2015 to 30/09/2015)	mn/day	4.1
Combined Value (NSE & BSE) (01/10/2015 to 30/09/2015)	INR mn/day	663.6
Market Capitalisation (30/09/2015)	INR bn	538
EPS for the Quarter (Annualised)	INR/share	8.99
Enterprise Value (30/09/2015)	INR bn	767
Price to Earning	times	16.6
Price to Cash Earning	times	4.9
Price to Book Value	times	2.2
EV/Annualised EBITDA	times	6.3

### Idea Cellular Daily Stock Price (NSE) & Volume (Combined of BSE & NSE) Movement



## 10. Shareholding Pattern as on September 30, 2015:

Particulars	Idea Cellular Ltd.	
	No. of Shares	% holding
<b>Promoter and Promoter Group</b>		
Indian	1,52,06,79,047	42.25%
Foreign	-	
<b>Public Shareholding</b>		
Foreign Holding	1,82,47,83,915	50.69%
Indian Institutions	18,10,67,922	5.03%
Others	7,30,79,502	2.03%
<b>Total</b>	<b>3,59,96,10,386</b>	<b>100.00%</b>

## 11. Glossary

Definitions/Abbreviation	Description/Full Form
3G	Third Generation of Mobile Telephony
3G Subscriber	Any Subscriber with any usage event on 3G network, during last 30 days
Established service areas	represent 15 service areas namely Maharashtra & Goa, Gujarat, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Delhi, Kerala, Haryana, Uttar Pradesh West & Uttaranchal, Uttar Pradesh East, Rajasthan, Himachal Pradesh, Punjab, Karnataka as well as Mumbai and Bihar service areas from Q1FY14 onwards. For FY13 and Established Service Areas were 13, not including Mumbai and Bihar
Annualized EBITDA	Annualised figure of quarterly EBITDA
ARPU (Average Revenue Per User)	Is calculated by dividing services revenue (exclusive of infrastructure and device revenues) for the relevant period by the average number of subscribers during the period. The result obtained is divided by the number of months in that period to arrive at the ARPU per month figure
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ARPM (Average realisation per Minute)	ARPM is calculated as ARPU divided by MoUs/Subscriber
Average Subscribers	Average number of subscribers during the period is calculated as average of average subscribers for each month.
Book Value/Share	Is calculated as Net Worth divided by the number of outstanding equity shares
BSE	Bombay Stock Exchange
Churn	Churn relates to subscribers who are removed from the EoP base for no usages/usage of services below a threshold level.
Cash Profit	Is calculated as the summation of PAT, Depreciation, charge on account of ESOPs and Deferred Tax, for the relevant period.
Cash Earning / Share	Is calculated by dividing the cash profit for the period by weighted average number of outstanding equity shares.
Data Subscriber	Any Subscriber with data usage of more than 1MB in last 30 days from Q4FY14 onwards Any Subscriber with data usage of more than 10MB in last 30 days from Q4FY15 onwards
Data Revenue	Revenue from the use of data services including Blackberry services
Data Usage	Data consumed by Idea subscribers
Data ARPU	Is calculated by dividing data revenue for the relevant period by the average number of data subscribers during the period. The result





Definitions/Abbreviation	Description/Full Form
	obtained is divided by the number of months in that period to arrive at the Data ARPU per month figure
Data ARMB	Is calculated by dividing data revenue for the relevant period by the Data usage in MB during the period
DoT	Department of Telecommunications
EBIT	Earnings Before Interest and Tax
EBITDA (Earnings before interest, tax, depreciation and amortisation)	This is the amount after deducting operating expenditure from total income. Total income is comprised of service revenue, sales of trading goods and other income. Operating expenditure is comprised of cost of trading goods, personnel expenditure, network operating expenditure, license and WPC charges, roaming and access charges, subscriber acquisition and servicing expenditure, advertisement and business promotion expenditure and administration & other expenses
Effective Tax Rate	Is calculated as tax charged to Profit and Loss Account divided by PBT (excluding Indus Dividend)
Enterprise Value	Is the summation of Market Capitalisation and consolidated Net Debt
EPS	Earning per share, is calculated by dividing the Profit after Tax for the period by the weighted average number of outstanding equity shares
EoP	End of period
FY	Financial year ending March 31
GSM	Global System for Mobile communications, the most popular standard for mobile telephony in the world
Gross Revenue	Is the summation of service revenue, revenue from sale of trading goods and other income.
Indian GAAP	Indian Generally Accepted Accounting Principles
IRU	Indefeasible right of use
Incremental Revenue Market Share	Is calculated as change in absolute revenue for Idea divided by change in absolute revenue for mobile Industry during the relevant period
Market Capitalisation	Number of outstanding shares at end of the period multiplied by closing market price (NSE) at end of the period.
MoUs/Sub (Average Minutes of Usages per Subs)	Is calculated as, total Minutes of Use by mobile subscriber during the period divided by the average of subscribers during the period
Net Adds	Refers to net customer additions which is calculated as the difference between the closing and the opening customers for the period
Net Debt	Total loan funds reduced by cash and cash equivalents
Net Worth	calculated as the summation of Share Capital and Reserves & Surplus reduced by debit balance of Profit & Loss account (if any)



Definitions/Abbreviation	Description/Full Form
New Service Areas	represent 7 service areas of Orissa, Tamil Nadu, J&K, Kolkata, West Bengal, Assam and North East from Q1FY14 onwards. For FY13 New Service Areas were 9, including Mumbai and Bihar.
NSE	National Stock Exchange
PBT	Profit before Tax
PAT	Profit after Tax
Price to Book Value	Is calculated by dividing the closing market price at the end of the period (NSE) by the Book Value/ Share
Price to Cash Earning	Is calculated by dividing the closing market price at the end of the period (NSE) by the annualised Cash Earning/Share
Price to Earning	Is calculated by dividing the closing market price (NSE) at the end of the period by the annualised EPS
ROCE	ROCE is calculated as a) for the year PAT plus net Interest and Finance Cost Less Tax at effective rate divided by average capital employed for the year, b) for the quarter : PAT (excluding non-recurring income) net Interest and Finance Cost Less Tax at effective rate for the quarter is annualised and increased by non-recurring income and then divided by average capital employed for the quarter. Capital employed is taken as the average of opening and closing of Shareholders Funds and Net Debt reduced by the debit balance of P&L account (If any), for the respective period
SIM	Subscriber Identity Module
Service Area	Unless otherwise specifically mentioned, means telecom service areas in India as defined by the DoT.
TRAI	Telecom Regulatory Authority of India