ADITYA BIRLA

IDEA Cellular

April 28, 2016

National Stock Exchange of India Limited
"Exchange Plaza",
Bandra - Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sirs,

Sub: Audited Financial Results for the fourth quarter and financial year ended 31st March 2016 - Quarterly Report

Ref: "Idea Cellular Limited" (IDEA / 532822)

In continuation of our letter of even date, we are enclosing herewith a copy of the Quarterly Report being issued on the performance of the Company for the fourth quarter and financial year ended 31st March, 2016.

The above is for your information and dissemination to the public at large.

Thanking you,

Yours truly,

For **Idea Cellular Limited**

Pankaj Kapdeo
Company Secretary

Encl: As above

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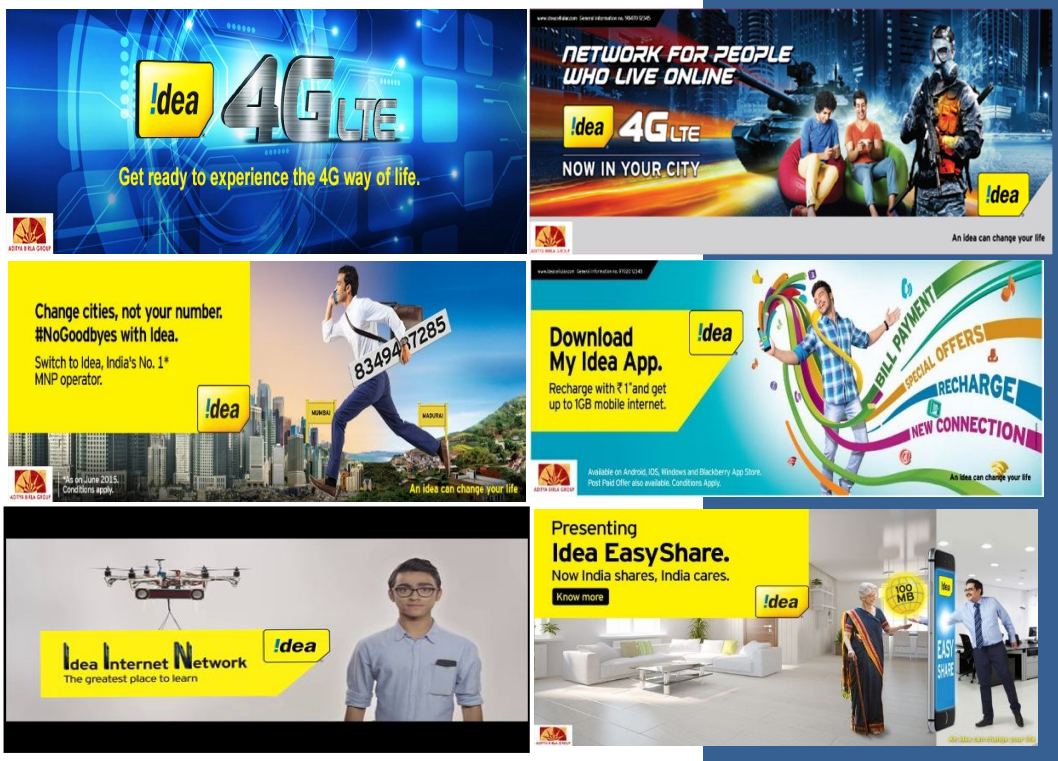
Idea Cellular Limited

An Aditya Birla Group Company

Quarterly Report – Fourth Quarter Ended March 31, 2016



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Gujarat, India

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Near Vidya Nagari, Kalina
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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				
		Q4FY16	Q3FY16	FY 16	FY 15	FY 14	FY 13	FY 12
Operating Highlights								
Subscriber base (EoP)	mn	175.1	171.9	175.1	157.8	135.8	121.6	112.7
2G - Cell Sites (EoP)	nos.	1,26,833	1,22,515	1,26,833	1,12,367	1,04,778	90,094	83,190
3G - Cell Sites (EoP) (U2100+U900)	nos.	50,060	45,732	50,060	30,291	21,381	17,140	12,825
4G - Cell Sites (EoP) (L1800)	nos.	14,643	1,813	14,643				
Total Minutes of Use	Mn	2,01,606	1,99,165	7,85,975	6,83,427	5,87,768	5,32,120	4,53,123
Total Data Volume (2G+3G+4G)	Mn MB	82,236	80,994	2,97,920	1,72,531	79,381	37,381	
Financial Highlights								
Gross Revenue	Rs mn	94,818	90,089	3,59,671	3,15,548	2,65,036	2,25,949	1,96,800
EBITDA[1]	Rs mn	33,199	28,513	1,19,098	97,679	73,467	53,516	44,658
PAT	Rs mn	4,650	6,614	26,766	34,772	17,932	10,080	6,036
Cash Profit	Rs mn	26,858	23,493	1,01,201	84,820	64,350	46,968	36,079
Gross Block + CWIP	Rs mn	9,89,132	9,67,852	9,89,132	6,13,843	5,71,211	4,46,007	3,92,602
Net Worth	Rs mn	2,53,176	2,51,037	2,53,176	2,28,518	1,58,787	1,41,808	1,29,058
Loan Funds	Rs mn	4,08,529	3,84,833	4,08,529	2,58,754	1,93,616	1,26,688	1,20,957
Cash & Cash Equivalent	Rs mn	20,987	7,946	20,987	1,30,714	1,761	10,806	1,406
Net Debt	Rs mn	3,87,542	3,76,887	3,87,542	1,28,041	1,91,855	1,15,881	1,19,550
Net Debt to EBITDA[2]	unit	2.92	3.30	3.25	1.31	2.61	2.17	2.68
Net Debt to Net Worth	unit	1.53	1.50	1.53	0.56	1.21	0.82	0.93
ROCE	%	6.1%	6.4%	7.4%	10.7%	7.1%	6.0%	5.2%

[1]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.
[2]Net Debt to EBIDTA, 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 18.9% (Q3FY16). In the 15 Established Service Areas, its RMS stands at a strong level of 22% (Q3FY16). The company carried around 2.22 billion minutes on a daily basis during the quarter Q4FY16. 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 December 2015). Company is listed on National Stock Exchange and Bombay Stock Exchange in India with a market capitalization of Rs. 397 billion (as on March 31, 2016).

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 etc. The Group currently has shareholding holding of 42.24% in Idea, through following entities;

Aditya Birla Nuvo Ltd.	23.26%
Birla TMT Holdings Pvt. Ltd.	7.88%
Hindalco Industries Ltd.	6.34%
Grasim Industries Ltd.	4.75%
Others	0.01%
Total	**42.24%**

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, Cambodia and Nepal 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 290 million mobile subscribers in Asia and provides employment to 25,000 people across Asia.

Providence Equity Partners, through its affiliates has a 6.80% 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)

- 100% -- Idea Cellular Infrastructure Services Limited (ICISL)
- 100% -- Idea Cellular Services Limited (ICSL)
- 100% -- Idea Telesystems Limited (ITL)
- 100% -- Idea Mobile Commerce Services Limited (IMCSL)
- 100% -- Aditya Birla Telecom Limited (ABTL)
  - 16% -- Indus Towers Limited (Indus)
- 49% - Aditya Birla Idea Payments Bank Limited (ABIPBL)

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.

ABIPBL – A joint venture with Aditya Birla Nuvo Limited (ABNL), Idea holds 49% stake. ABNL got In-principle approval from RBI for Payments Bank.

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 116 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	~17 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 (won in Feb'14 spectrum auction). Further, in March'15 spectrum auction Idea won 5 MHz spectrum in 2100 MHz frequency band for Kolkata service area. 3G services for Kolkata service area has been launched in the month of December, 2015. The 3G foot-print of Idea's own 3G spectrum covering 13 service areas accounts for over 79% of its revenue, ~74% of its subscribers and ~60% of national mobile industry revenue.

4G LTE Spectrum Profile – In February 2014 auction, Idea won 60.2 MHz spectrum in 1800 frequency band including 4G LTE compatible contiguous blocks of 5/10MHz in 8 service areas along with top-up GSM spectrum in 7 service areas. In March 2015 spectrum auction, Idea won 20.4 MHz spectrum in 1800 band including 4G LTE compatible contiguous blocks of 5MHz in 2 additional service areas, 4.8 MHz non-contiguous spectrum in HP (4G LTE will be launched post spectrum harmonisation) along with top-up GSM spectrum in 3 service areas. Post these spectrum auctions the 4G spectrum profile of Idea covers 10 service areas representing ~62% of Idea's revenue and ~50% of national mobile industry revenue, with possibility of launching 4G LTE in HP post spectrum harmonisation.

On 23rd December, 2015, Company took the historic giant leap in its telecom journey with launch of its 4G LTE services. In the last 100 days, Idea has moved fast, launching 4G services in 3,946 towns & villages in 10 service areas (Maharashtra & Goa, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Kerala, Haryana, Punjab, Karnataka, Orissa, NESA and Tamil Nadu incl. Chennai), covering around 116 million Indians, 21% of Indian population in these 10 circles. As of 31 March 2016, over 680,000 Idea customers are actively using the 4G services.

The overall Broadband spectrum profile (3G or 4G) of Idea covers ~87% of Idea revenue and ~79% of Industry revenue in 17 telecom circles, now with ability to offer wireless broadband services on 3G and/or 4G technology to nearly 880 million Indians. The company in the short span has built wireless broadband capacity, a clear testimony of its ability to compete. Idea has tied-up with Hungama Digital to offer a rich collection of Music content and with EROS to offer wide library of Movies and short format Videos and recently launched its own **'Idea Games Club'** powered by Opera. The company is also revisiting its existing Value Added Services offerings and Intends to introduce its own range of Content services under banner of 'Idea Movies' , 'Idea Music' and 'Idea Games' etc. across various categories like entertainment, information, communication, utilities and API services etc., from FY17 onwards.

2. **Long Distance Services and ISP** – Idea holds licenses for NLD, ILD, ISP and IP-1 services. Idea NLD currently carries ~98.4% of its captive NLD minutes. Idea ILD services now handle ~100% 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 115,500 km OFC, in comparison to over 82,000 km two years back (Q4FY14). In FY16, Idea doubled its annual fibre rollout to 22,100 KM against 11,400 KM in FY15, gearing itself to tap emerging wireless broadband demand. Idea has over 7,200 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		For the Year		Growth YoY Growth
		Q4FY16	Q3FY16	Q2FY16	Q1FY16	Q4FY15	QoQ	YoY	FY16	FY15	
Total NLD Minutes	mn	16,172	16,247	16,287	16,335	15,946	-0.5%	1.4%	65,041	60,497	7.5%
Total ILD Minutes	mn	2,916	3,020	2,747	2,559	2,175	-3.4%	34.1%	11,242	8,246	36.3%
ISP Capacity*	Gbps	184.2	158.3	152.7	125.0	124.0	16.4%	48.6%	184.2	124.0	48.6%
Optical Fibre Cable (OFC)*	KM	1,15,500	1,05,600	1,00,400	95,100	93,400	9.4%	23.7%	1,15,500	93,400	23.7%

*Approx capacity

3. Idea Mobile Banking Services

- **Bank led Model - <u>NEFT and IMPS (Money Transfer Service)</u>**

  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.

- **<u>Prepaid Payment Instrument (PPI</u>)**

  PPI is commonly known as semi closed wallet. RBI granted Idea Certificate of Authorisation for PPI in November 2013. Idea commenced PPI services in July 2014 and currently operates in 16 Circles. Idea is also now aggressively acquiring new mobile wallet customers digitally through Idea Web and Idea App. Idea Money wallet is available on Android Platform and the same will be available on iOS Platform in Q1 FY17. The company offers both cash and web loading (through net banking) into the wallets. With PPI wallet balance one can recharge prepaid accounts for Idea and other operator's, recharge DTH accounts, pay bills and make mobile wallet to mobile wallet and wallet to bank account transfers. These wallet accounts can be opened with minimum KYC for balance up to Rs. 10,000/-

Idea also launched Domestic Money Remittance services with IMPS facility on own PPI platform from 18th April 2016. The service is now available across 17 Circles. The Company is also pursuing merchant acquisition program to increase digital money usage opportunity. The Company has signed / in process of signing up with e-commerce companies servicing in the field of Food, Travel, Taxi, Railways etc. Idea Money has tie ups with online and offline merchants like Book My show, KFC, Dominos, Yep Me, Make My Trip and IRCTC. Idea as of 31st March, 2016 has acquired more than 2 million PPI mobile wallet customers & efforts are on to exponentially increase the number of active PPI digital wallet users.

Details with reference to PPI business is as follows

	Unit	For the Quarter				QoQ Growth
		Q4FY16	Q3FY16	Q2FY16	Q1FY16	
EOP Wallet	000	2,053	590	125	3	248.0%
Transaction Value	INR Mn	773	262	69	1	194.7%
Transaction Count	000	3,502	1,136	336	3	208.2%
Average Trasaction Value	INR	221	231	205	197	-4.4%

- **Payments Bank**

RBI has given in principle approval to set-up the Payments Bank to Aditya Birla Nuvo Limited (ABNL) as promoter, on 7th September, 2015. ABNL (51%) jointly with Idea (49%) is planning to setup the Payments Bank. Recently, a new company 'Aditya Birla Idea Payments Bank Limited' (ABIPBL) has been formed to setup the payments bank services. The new company is in the process of appointing 'Key Management Personnel' (KMP), selecting the right IT system and defining innovative products and cost efficient processes before starting services.

Post necessary regulatory approvals from RBI, the company is likely to commercially launch its services by end of FY 2016-17. The company will acquire and service new Payments Bank customers 'Online' leveraging the power of Idea and ABG's ~45 million current digital customers as well as 'Offline' leveraging the strength of Idea's 2 Million+ retail distribution channel across 390,000 towns & villages. The Payments Bank intends to promote a wide range of banking products & services including current and savings bank account, domestic remittances, merchant payments etc. while partnering with ABG financial services, select universal banks & related financial institutions for offering range of full banking products including Fixed Deposits, Micro Loan, Debt & Equity linked Mutual Funds, other related investment and Insurance products to its payments bank customer. At an appropriate time the existing Remittance (NEFT/IMPS) and PPI business will be integrated with new Payments Bank and run as a single entity.

4. Spectrum Auction Update (2010-2015)

Idea cellular participated in four (4) spectrum auctions since 2010 and prudently acquiring 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 4G 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 were 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 4G spectrum in service areas of Tamil Nadu and Orissa, expanding LTE spectrum to 10 service areas covering 62% of its revenue base, with possibility of 11th 4G circle – HP, post spectrum harmonization.

Idea, post allocation of the spectrum won in March 2015 auction has 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 service areas 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 with its own spectrum.

Circles	Capability to offer (No. of Circles)		
	2G	3G	4G
8 Established Circles	8	8	6
7 Emerging Circles	7	3	1+1*
7 New Circles	7	2	3
Total	**22**	**13**	**10+1***
% of Revenue Covered – Idea / Industry	100%/ 100%	79% / 60%	62% / 50%
% of Subscriber Covered – Idea / Industry	100%/ 100%	74% / 60%	56% / 48%

*HP – Post spectrum harmonisation

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		4.4	4.8**	5.0	14.2	✓	✓	✓***
Delhi	5.0	8.6			13.6	✓	✓	x
UP (W)	5.0	2.2**		5.0	12.2	✓	✓	x
Gujarat	5.0	1.6		5.0	11.6	✓	✓	x
Tamil Nadu		6.4	5.0		11.4	✓	x	✓
UP (E)		6.2		5.0	11.2	✓	✓	x
Karnataka	5.0	1.0	5.0		11.0	✓	x	✓
North East		6.0**	5.0*		11.0	✓	x	✓
J&K		5.0		5.0	10.0	✓	✓	x
Kolkata		5.0		5.0	10.0	✓	✓	x
Orissa		5.0	5.0		10.0	✓	X	✓
Mumbai		6.4			6.4	✓	X	x
West Bengal		6.25			6.25	✓	X	x
Rajasthan		6.2			6.2	✓	x	x
Bihar		5.65			5.65	✓	x	x
Assam		5.0			5.0	✓	x	x
Total Spectrum	**59.0**	**91.9**	**59.8**	**60.0**	**270.7**			
Number of markets where Idea can deploy						22	13+2#	10+1#
Industry Revenue Contribution %						100%	60%	50%
Idea Revenue Contribution %						100%	79%	62%

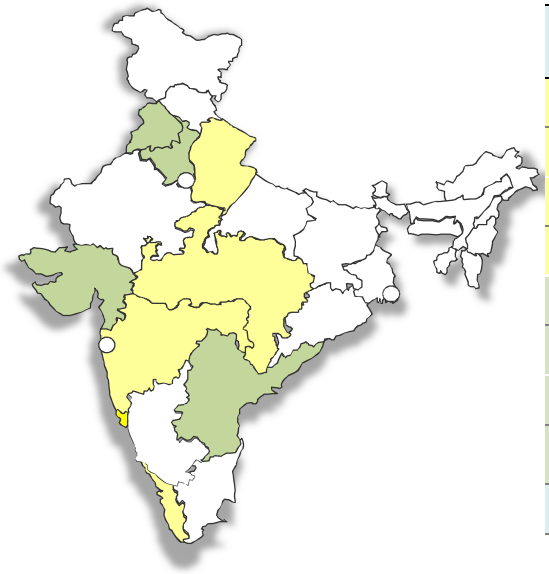
**Contiguous block of 5 MHz (1800 MHz) spectrum is not available in Pune and Nasik for Maharashtra, Amritsar & Ludhiana for Punjab, Sirsa for Haryana and Khasi Hill &Tawang for North East Service Area*

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

**** 4G services Post Harmonisation*

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 & 4G services (in 6 out of 8 circles) gives Idea an absolute leadership status in eight service areas with combined RMS of 31.1% (Q3FY16). These 'service areas' contribute ~41% of national mobile industry revenue and ~67% of Idea's revenue. Inspite of intense market competition, Idea has improved its revenue market share by 2.1% in these 8 leadership service areas over last one year to 31.1% (Q3FY15 RMS 29%) delivering 89% of Industry incremental RMS on YoY basis in Q3FY16.



Service Area	RMS Q3FY16*	RMS RANK	SPECTRUM PROFILE	
Kerala	42.2%	1	2G/3G/4G	
M.P.	42.0%	1	2G/3G/4G	
UP (W)	32.9%	1	2G/3G	Incremental RMS **@89%** - Q3FY16 vs Q3FY15
Maharashtra	31.6%	1	2G/3G/4G	
Haryana	27.3%	2	2G/3G/4G	
Punjab	27.2%	2	2G/3G/4G	
A.P.	24.3%	2	2G/3G/4G	
Gujarat	22.6%	2	2G/3G	
Total	**31.1%**	**1**		

*Gross Revenue for Mobile & UAS Licenses released by TRAI

Idea has rolled out 3G services in all these 8 strategically important service areas and around 64% of existing GSM sites upgraded with additional 3G services. Idea has also launched its 4G services in 6 out of 8 these leadership markets, Kerala and Andhra Pradesh in December 2015, Madhya Pradesh, Haryana and Punjab in January 2016 and Maharashtra in March 2016. Further, Idea has launched 3G 2nd Carrier on 900 MHz in the service areas of Maharashtra and Madhya Pradesh during Q4FY16 to increase wireless broadband capacity. Idea's GSM, 3G and 4G spectrum footprint in these 8 service areas (6 for 4G) places the company in an advantageous competitive position to continue its march of strengthening its competitive market standing both in subscribers & 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 & Delhi service areas with 3G on 900 MHz). The emergence of Idea as a significant player in these 7 service areas reaffirms Idea's intrinsic competitive capabilities. These 7 service areas represents ~26% of Idea's revenue. Idea provides 3G services in 3

of these service areas i.e. UP (E), H.P. and Delhi and has upgraded over 47% of its existing GSM sites in the 3 service areas with additional 3G services. 2015.

Idea has also launched 4G services in service area of Karnataka in December 2015. These 7 emerging service areas with high growth potential contribute ~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 12.5% in Q3FY16 (Q3FY15 RMS 11.8%) delivering 30% incremental RMS on YoY basis v/s Q3FY15.

Service Area	RMS Q3FY16*	RMS Rank	Spectrum Profile	
Bihar	14.3%	2	2G	
H.P.	13.4%	2	2G/3G	
UPE	14.0%	3	2G/3G	Incremental RMS @ **30%** - Q3FY16 vs Q3FY15
Rajasthan	13.1%	3	2G	
Delhi	12.6%	3	2G/3G	
Karnataka	11.0%	4	2G/4G	
Mumbai	10.8%	4	2G	
Total	**12.5%**	3		

*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 service Areas of 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 ~7% of Idea revenue. As Idea expands its 2G, 3G & 4G network in these new markets 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. 1,170 million in Q4FY16. The present combined RMS in these 7 service areas is at 6.4% in Q3FY16. In last one year Idea has increased its RMS by 1.3% (vs Q3FY15 RMS 5.1%). Idea remains committed to increase its competitive strength. The incremental RMS in these 7 new service areas between Q3FY16 to Q3FY15 is 56.5%, indicating good potential of improving Idea presence in these service areas. The company offers 3G services in the service area of J&K and Kolkata (launched in December 2015) on Its own 2100MHz spectrum. The company has also recently launched its 4G services in 3 Service Areas – Tamil Nadu including Chennai in December 2015 and in Orissa and North East service areas during Q4FY16.

Service Area	RMS Q3FY16*	RMS Rank	Spectrum Profile	
W.B.	9.4%	3	2G	
J & K	6.7%	5	2G/3G	
NESA	4.4%	5	2G/4G	Incremental RMS @ **56.5%** -Q3FY16 vs Q3FY15
Kolkata	7.0%	6	2G/3G	
TN	5.9%	6	2G/4G	
Assam	4.8%	6	2G	
Orissa	5.7%	7	2G/4G	
Total	**6.4%**	5		

*Gross Revenue for Mobile & UAS Licenses released by TRAI

E. 184 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 December 2015) currently servicing ~184 million VLR subscribers as of March 31, 2016. This large base of subscribers provides a great platform to the company for upgrading the pure voice customers to wireless data services Digital content & Payment services in future.

Idea has always been vigilant in monitoring the quality of its subscriber base. The latest (Feb 2016) 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 Feb 2016, Idea has 104.4% of reported subscribers as VLR subscribers, which is highest in the industry.

Idea's EoP subscriber market share (on VLR) at the end of Feb 2016 stands at 19.7% (as against a reported subscriber markets share @ 17%) an improvement of 1.1% on YoY basis.

In last 12 months from Mar'15 to Feb'16 Idea has added VLR subscribers of 23.7 million against overall industry annual VLR subscriber growth at 73.3 million. The company is pleased to consistently add over 30% of industry Active Subscriber base addition. Today, nearly 1 out of 3 Indian who buy new connection, prefer Idea and 184 million VLR subscribers milestone for the company opens multiple new vistas for growth in Broadband, Digital Content and Payment Services etc.

F. Leader in Mobile Number Portability Net Adds

The Mobile Number Portability (MNP) was implemented nation-wide on 20th January, 2011 and nearly 170.68 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 60 months in the MNP space, Idea has maintained leadership position on overall MNP Net Adds. As on March 31, 2016 Idea has a net MNP gain of 17.7 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.

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 119,881 towers and tenancy ratio of 2.25 as of March 31, 2016. 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% as of 31st March 2016. The consolidated financials includes 16% consolidation from Indus Towers. Besides investment in Indus Tower, Idea along with its subsidiary ICISL, owns 9,744 towers as on March 31, 2016. There are more than 16,100 tenants on these towers, resulting in tenancy ratio of 1.66. During the last one year the company has added 187 towers and over 800 tenancies as its reorganize itself to improve its tower tenancy ratio to industry standards.

6. Financial Highlights

A. Standalone Profit & Loss Account (Rs mn)

	For the Quarter				
	Q4FY16	Q3FY16	Q2FY16	Q1FY16	Q4FY15
Gross Revenue	94,818	90,089	86,799	87,965	84,165
Opex	61,619	61,576	59,026	58,351	56,337
EBITDA	33,199	28,513	27,773	29,613	27,828
EBITDA Margin	**35.0%**	**31.6%**	**32.0%**	**33.7%**	**33.1%**
Depreciation & Amortisation	18,661	15,206	14,327	14,128	13,837
EBIT	14,538	13,307	13,446	15,486	13,991
Interest and Financing Cost (net)	7,513	3,175	2,516	2,559	816
Dividend from Indus*	-	-	-	-	1,602
PBT	7,025	10,132	10,930	12,926	14,777
Tax	2,374	3,518	3,829	4,525	4,700
PAT	**4,650**	**6,614**	**7,102**	**8,401**	**10,077**
Cash Profit	**26,858**	**23,493**	**25,318**	**25,531**	**26,149**

B. Consolidated Profit & Loss Account (Rs mn)

	For the Quarter				
	Q4FY16	Q3FY16	Q2FY16	Q1FY16	Q4FY15
Gross Revenue	94,839	90,097	86,891	87,983	84,225
Opex	58,678	58,811	56,320	55,700	53,580
EBITDA	36,160	31,285	30,570	32,284	30,645
EBITDA Margin	**38.1%**	**34.7%**	**35.2%**	**36.7%**	**36.4%**
Depreciation & Amortisation	19,737	16,231	15,381	15,159	14,877
EBIT	16,423	15,054	15,190	17,125	15,768
Interest and Financing Cost (net)	7,678	3,349	2,726	2,792	1,052
PBT	8,745	11,705	12,464	14,333	14,715
Tax	2,989	4,063	4,371	5,024	5,298
PAT	**5,756**	**7,642**	**8,093**	**9,308**	**9,418**
Cash Profit	**29,013**	**25,512**	**27,360**	**27,437**	**26,602**

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

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

Revenue Break-up	For the Quarter	
	Q4FY16	Q3FY16
Gross Revenue - Established Service Areas	88,132	84,063
Gross Revenue - New Service Areas	6,686	6,026
Revenue - Idea Standalone	**94,818**	**90,089**
Revenue Contribution - Indus (@16.00%)	6,667	6,450
Consolidation Eliminations	(6,647)	(6,442)
Revenue - Idea Consolidated	**94,839**	**90,097**

EBIT Break-up	For the Quarter	
	Q4FY16	Q3FY16
EBIT - Idea Standalone	14,538	13,307
EBIT Contribution - Indus (@16.00%)	1,885	1,747
EBIT - Idea Consolidated	**16,423**	**15,054**

EBITDA Break-up	For the Quarter	
	Q4FY16	Q3FY16
EBITDA -Established Service Areas	34,369	30,295
EBITDA - New Service Areas	(1,170)	(1,782)
EBITDA - Idea Standalone	**33,199**	**28,513**
EBITDA Contribution - Indus (@16.00%)	2,961	2,773
EBITDA - Idea Consolidated	**36,160**	**31,285**

Interest & Finance Cost Break-up	For the Quarter	
	Q4FY16	Q3FY16
Gross Interest Cost - Idea Standalone	7,907	3,465
Gross Interest Income - Idea Standalone	(394)	(290)
Int. & Fin. Cost (net) - Idea Standalone	**7,513**	**3,175**
Int. & Fin. Cost (net) from Indus (@16.00%)	165	174
Int & Fin Cost (net) - Idea Consolidated	**7,678**	**3,349**

EBITDA Margin	For the Quarter	
	Q4FY16	Q3FY16
EBITDA % - Established Service Areas	39.0%	36.0%
EBITDA % - New Service Areas	-17.5%	-29.6%
EBITDA % - Idea Standalone	**35.0%**	**31.6%**
Derived EBITDA % Indus	44.4%	43.0%
EBITDA % - Idea Consolidated	**38.1%**	**34.7%**

Tax Break-up	For the Quarter	
	Q4FY16	Q3FY16
Tax - Idea Standalone	2,374	3,518
Tax - Indus (@16.00%)	614	545
Tax - Idea Consolidated	**2,989**	**4,063**

Dep. & Amort. Break-up	For the Quarter	
	Q4FY16	Q3FY16
Dep & Amort. - Idea Standalone	18,661	15,206
Dep. & Amort. Cost from Indus (@16.00%)	1,076	1,025
Dep. & Amort. - Idea Consolidated	**19,737**	**16,231**

PAT Break-up	For the Quarter	
	Q4FY16	Q3FY16
PAT - Idea Standalone	4,650	6,614
PAT Contribution - Indus (@16.00%)	1,106	1,029
PAT - Idea Consolidated	**5,756**	**7,642**

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	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
EQUITY AND LIABILITIES				
Shareholders' Funds				
Equity Share Capital	36,005	35,978	36,005	35,978
Reserves & Surplus	2,17,170	1,92,540	2,21,651	1,94,295
	2,53,176	**2,28,518**	**2,57,656**	**2,30,273**
Compulsorily Convertible Preference Shares	19	19	19	19
Non-Current Liabilities				
Long-Term Borrowings	3,61,583	1,60,065	3,65,685	1,66,032
Deferred Tax Liabilities (Net)	28,039	16,243	30,714	19,015
Other Long-Term Liabilities	34,654	11,719	32,740	9,633
Long-Term Provisions	3,420	2,843	6,475	5,735
	4,27,696	**1,90,870**	**4,35,614**	**2,00,415**
Current Liabilities				
Short-Term Borrowings	16,456	1,514	16,456	2,073
Trade Payables	33,215	29,952	33,478	30,974
Current maturities of long term debt	30,490	97,175	32,890	1,00,486
Other Current Liabilities	44,638	35,843	46,113	37,406
Short-Term Provisions	3,526	2,994	4,275	3,021
	1,28,325	**1,67,478**	**1,33,212**	**1,73,960**
Total	**8,09,216**	**5,86,885**	**8,26,501**	**6,04,668**
ASSETS				
Non-Current Assets				
Fixed Assets				
Tangible Assets	2,11,297	1,81,328	2,42,914	2,13,136
Intangible Assets	4,39,969	1,42,159	4,40,004	1,42,200
Capital Work-in-Progress	60,397	50,804	60,986	51,405
	7,11,663	**3,74,290**	**7,43,904**	**4,06,741**
Goodwill	17,799	17,799	61	61
Non-Current Investments	3	0	2	-
Long-Term Loans and Advances	34,482	41,324	35,858	42,752
Other Non-Current Assets	278	89	278	458
	7,64,225	**4,33,503**	**7,80,104**	**4,50,013**
Current Assets				
Current Investments	13,296	1,15,267	13,728	1,15,267
Inventories	1,065	710	1,065	710
Trade receivables	11,424	9,440	11,776	9,789
Cash and Bank Balance	7,691	15,446	7,818	15,537
Short-term loans and advances	11,495	11,456	11,990	12,290
Other current assets	20	1,062	20	1,062
	44,991	**1,53,382**	**46,397**	**1,54,656**
Total	**8,09,216**	**5,86,885**	**8,26,501**	**6,04,668**

7. Key Performance Indicators

A. Financial Indicators – Idea Standalone

Parameters	Unit	For the Quarter				
		Q4FY16	Q3FY16	Q2FY16	Q1FY16	Q4FY15
Gross Revenue	INR Mn	94,818	90,089	86,799	87,965	84,165
Growth QoQ	%	5.2%	3.8%	-1.3%	4.5%	5.0%
EBITDA	INR Mn	33,199	28,513	27,773	29,613	27,828
EBITDA	%	35.0%	31.6%	32.0%	33.7%	33.1%
EBIT	INR Mn	14,538	13,307	13,446	15,486	13,991
EBIT	%	15.3%	14.8%	15.5%	17.6%	16.6%
Gross Revenue/min	paisa	47.0	45.2	45.8	44.9	45.5
EBIT/min	paisa	7.2	6.7	7.1	7.9	7.6
Gross Fixed Assets (excl. CWIP)	INR Mn	9,28,735	8,57,479	5,98,089	5,78,035	5,63,037
Annualised Revenue/Gross Fixed Assets	%	40.8%	42.0%	58.1%	60.9%	59.8%
Gross Revenue per 2G Site/Month (INR)	INR	2,53,510	2,48,393	2,46,395	2,57,272	2,52,410

B. Operational Indicators – Idea Standalone

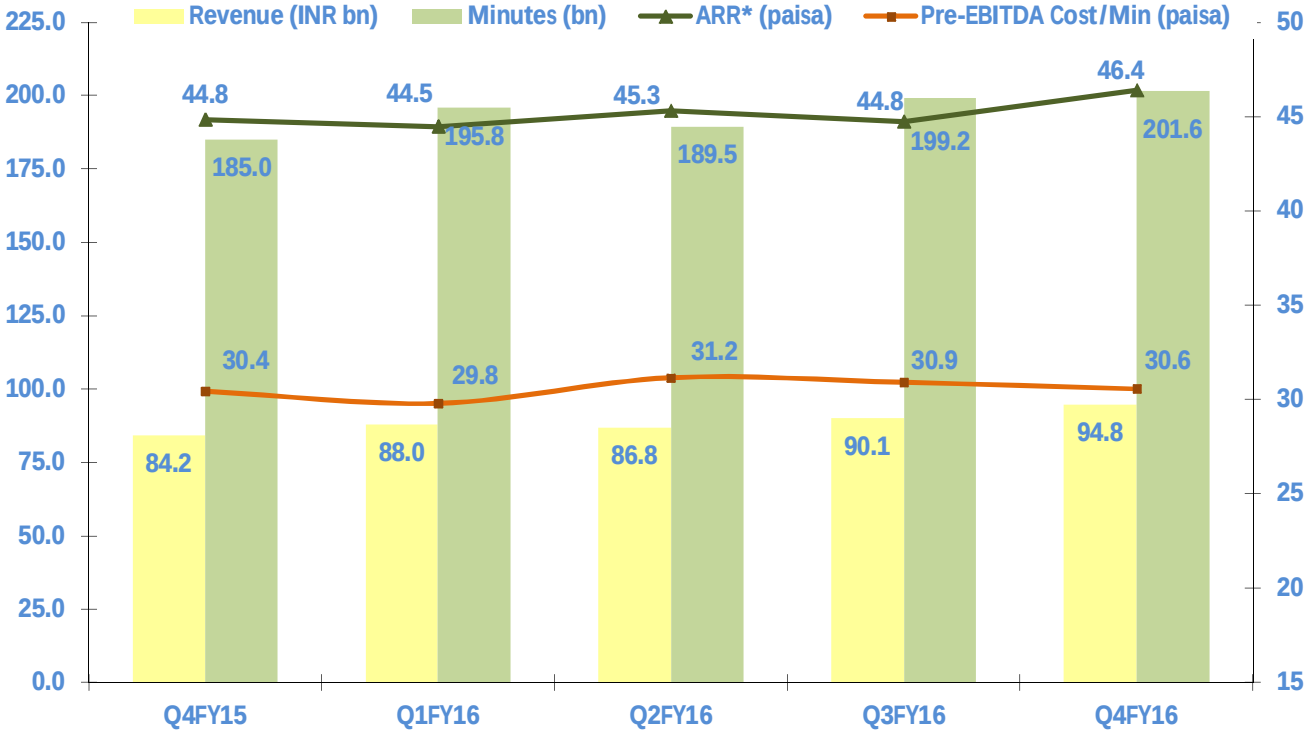
Overall Business	Unit	For the Quarter				
		Q4FY16	Q3FY16	Q2FY16	Q1FY16	Q4FY15
Subscriber Base (EoP) (2G+3G)	mn	175.1	171.9	166.6	162.1	157.8
VLR Subscribers (EoP)	mn	183.8	181.9	170.8	165.8	161.4
Net VLR Subscriber addition	mn	1.9	11.0	5.0	4.4	9.2
Pre-paid Subs (% of EoP subscribers)	%	95.5%	95.6%	95.6%	95.6%	95.6%
Number of 3G Devices (Including 4G devices)	mn	60.4	55.5	48.7	42.3	36.5
Out of Above - 4G Devices	mn	11.1	6.1			
3G/4G Device Penetration (on EoP)	%	34.5%	32.3%			
3G Subscribers (Voice+Data) (EoP)	mn	30.5	27.6	24.5	21.3	18.7
Average Revenue per User (ARPU) Blended	INR	179	176	175	182	179
Average Voice Revenue Per User (Voice ARPU)	INR	129	125	126	134	135
Average Minutes of Use per User (MoU)	min	387	393	386	408	400
Average Realisation per Minute (ARPM)	paisa	46.4	44.8	45.3	44.5	44.8
Average Realisation per Minute (Voice ARPM)	paisa	33.3	31.8	32.7	32.9	33.9
Post-paid Churn	%	2.9%	2.8%	3.2%	3.1%	2.6%
Pre-paid Churn	%	4.8%	5.4%	5.2%	4.7%	4.7%
Blended Churn	%	4.7%	5.3%	5.1%	4.7%	4.6%
2G Coverage - No. of Census Towns	no.	7,625	7,554	7,527	7,513	7,475
2G Coverage - No. of Villages	no.	3,83,372	3,76,122	3,70,320	3,63,580	3,57,321
2G Coverage - Population	Mn	988	974	966	957	948
% of Population (22 Circles)	%	81.6%	80.5%	79.8%	79.1%	78.4%
3G Coverage - No. of Census Towns	no.	3,923	3,838	3,584	3,394	3,187
3G Coverage - No. of Villages	no.	56,756	51,293	42,091	29,378	22,919
3G Coverage - Population	Mn	348	340	306	276	245
% of Population (13 Circles)	%	50.4%	48.0%	45.4%	41.0%	36.4%
4G Coverage - No. of Census Towns	no.	1,327				
4G Coverage - No. of Villages	no.	2,619				
4G Coverage - Population	Mn	116				
% of Population (10 Circles)	%	21.0%				

Overall Business	Unit	For the Quarter				
		Q4FY16	Q3FY16	Q2FY16	Q1FY16	Q4FY15
Total Minutes of Use	mn	2,01,606	1,99,165	1,89,452	1,95,752	1,85,028
Total 2G Cell Sites (EoP)	no.	1,26,833	1,22,515	1,19,276	1,15,575	1,12,367
Total 3G Cell Sites (EoP)	no.	50,060	45,732	39,867	33,621	30,291
Total 4G Cell Sites (EoP)	no.	14,643	1,813			
Towers - Rented Indus (EoP)	no.	67,169	64,721	63,287	61,593	60,161
Towers - Rented Others (EoP)	no.	50,049	48,249	46,489	44,508	42,709
Owned Towers (EoP)	no.	9,744	9,640	9,578	9,532	9,557
Tenancy Ratio - Owned Towers	times	1.66	1.64	1.61	1.61	1.60
Manpower on Rolls (EoP)	no.	17,571	16,948	16,218	15,776	15,470
Non-Voice and Data Business (2G+3G+4G)						
VAS as a % of Service Revenue	%	28.3%	28.9%	27.9%	26.1%	24.5%
Data as a % of Service Revenue	%	20.1%	20.2%	19.6%	17.7%	16.9%
Non-Data VAS as a % of Service Revenue	%	8.2%	8.6%	8.2%	8.4%	7.6%
Total Data Suscribers (2G+3G+4G)*	000	44,019	41,351	41,334	37,156	33,424
Total Data Volume (2G+3G+4G)	Mn MB	82,236	80,994	72,013	62,677	54,510
Blended Data ARMB	paisa	22.9	22.3	23.4	24.6	25.7
Data ARPU for Data Subscriber (2G+3G+4G)	INR	147	145	144	147	150
Data Usage by Data Subscriber (2G+3G+4G)	MB	641	653	615	599	586
Broadband Business (3G+4G) - Network KPIs						
3G Data Volume	Mn MB	56,165	53,600	43,051	36,031	30,680
4G Data Volume	Mn MB	1,438				
Broadband Data Uages by Broadband Subs	Mn MB	857	866	802	778	777
Broadband Business (3G+4G) Subscribers KPIs						
3G Data Subscribers	000	22,909	21,199	19,585	16,660	14,512
4G Data Subscribers	000	680				
Data ARPU for Broadband Subs**	INR	191	196	202	203	209

*Refer revised definition for Data Subscriber
**Including data revenue for use on 2G network

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

After 6 quarters of steep fall in Voice and Mobile Data Realised Rate, Idea by clamping down on promotional offers in Q4FY16 for new & existing customers, is pleased to share a) Voice realised rate improved by 4.4% from 31.8p/min in Q3FY16 to 33.3p/min and b) Mobile data realised rate improved from 22.3p/MB to 22.9p/MB, QoQ increase of 2.9%.

With reduced consumer promotions this quarter, the subscriber & volume growth was slower as only a) 1.9 million net quarterly subscriber addition, customer EoP base of 183.8 million (on VLR, 31st March, 2016) b) QoQ Voice minutes growth @1.2% to 201.6 billion minutes and c) Net mobile data volume (2G+3G+4G) QoQ growth @1.5% to 82.2 billion MB. Inspite slow volume growth, the sequential quarterly revenue growth is robust @5.2%. The improved revenue growth led by better rate realisation helped Idea deliver strong 16.4% sequential quarterly EBITDA growth at Rs. 33,199 million for Q4FY16 and QoQ EBITDA margin improvement of 3.4%, from 31.6% in Q3FY16 to 35%.

On the Financial Year basis, Idea continues its enviable track record of being amongst the fastest growing large Indian Mobile operator for 8 straight year with 14.0% annual revenue growth in FY16 at Rs. 359,671 million (normalised revenue growth of 17.8% after adjusting for change in IUC), against Rs. 315,548 million in FY15 (19.1% vs FY14). Idea

revenue growth is likely to be over 2 times the mobile industry revenue growth, estimated at low level of 5.5% to 6% in FY16, against industry FY15 over FY14 growth of 10.8%. Primary reasons for lower mobile industry growth in FY16 are a) TRAI directed drop in mobile IUC settlement charge from 20p/min to 14p/min effective 01st March 2015, b) Reduction in upper cap for national roaming & SMS charges, c) intense battle for new subscribers in Voice segment and d) Slower new customer uptake for wireless broadband against colossal supply increase both, by existing 3G operators expanding coverage and launch of new 3G & 4G markets from spectrum acquired by Telecom licensees in Auction of 2014 & 2015.

The factors driving Idea ahead of industry revenue growth in FY16 over FY15 were volume led including a) 22.4 million VLR subscribers addition in the year b) Voice minutes annual growth @ 15% to 786 billion minutes and c) Mobile data volume (2G+3G+4G) yearly expansion @72.7% to 298 billion MB. However, inspite Q4 vs Q3FY16 realised rate improvement, FY16 overall price realisation vs FY15 declined in Voice @ 8.3% (including IUC impact) and Mobile data rate decline @11.8%, depressing Idea overall annual revenue growth. Competitively, the company continues to improve its Revenue Market Share (RMS) expanding it to 18.9% (Q3FY16), an improvement of 1.4% compared to Q3FY15 and Subscriber Market Share (VLR) to 19.7% (February 2016), an improvement of 1.1% in last one year.

On 23rd December, 2015, Company took the historic giant leap in its telecom journey with launch of its 4G LTE services. In the last 100 days, Idea has moved fast, introducing 4G services for 3,946 towns & villages in 10 service areas (Maharashtra & Goa, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Kerala, Haryana, Punjab, Karnataka, Orissa, NESA and Tamil Nadu incl. Chennai), covering 116 million Indians, 21% of overall population in these 10 circles. As of 31st March 2016, over 680,000 customers are actively using the Idea 4G services. The company has built massive high speed wireless broadband (3G+4G) capacity in short span of time, a clear testimony of its ability to compete.

Besides 4G, during the year Idea continued its 3G expansion & its 3G data volume exploded by nearly 2.1 times from 91.2 billion MB in FY15 to 188.8 billion MB in FY16. In addition to launch of new 3G services in Kolkata service area in Q3FY16, Idea introduced 3G 2nd Carrier on 900 MHz in Maharashtra and Madhya Pradesh in Q4FY16, extending its 3G 900 MHz services to 3 circles (including Delhi Metro).

The company added 8.4 million new 3G users in last one year, now serving overall 22.9 million 3G data customers, though still a low penetration of 13.1% of EoP Subscribers. Presently, 60.4 million (annual increase of 23.9 million) of Idea's strong 175 million EoP subscribers have upgraded their phone to 3G/4G smartphone including 11.1 million 4G smartphone owners (6.3% of its EoP). The overall Idea Mobile Data user (2G+3G+4G) penetration is now @ 25.1% (of EoP); 44 million data subscribers with blended mobile data ARPU (2G+3G+4G) at Rs. 147 in Q4FY16 (vs Rs. 150 in Q4FY15). The mobile data revenue is now contributing 20.1% of service revenue and Non Voice revenue contribution has increase to 28.3% (vs 24.5% in Q4FY15).

In FY16, Idea has more than doubled its past three years average capex spends with network investment of Rs. 77.7 billion. During the year, the company integrated highest ever 48,878 sites (14,466 2G Sites, 19,769 3G sites and 14,643 4G sites) reaching a total of 191,536 sites, fully funded from Cash Profit of Rs. 101,201 million. Idea also expanded its fibre coverage by doubling its annual rollout to 22,100 KM (vs 11,400 KM in FY15), reaching 115,500 KM of OFC presence. With exponential network coverage & capacity expansion in FY16, Idea GSM coverage has reached nearly 1 billion Indian spread over more than 390,000+ towns & villages. Wireless broadband coverage has expanded to 388 million Indian across 17 circles, covering 61,975 towns & villages. Idea's own 3G spectrum in 13 service areas today covers 50% of these circles population.

Inspite higher network expansion and multiple inflationary & regulatory pressures, Idea FY16 standalone EBITDA grew by 21.9% and stands at Rs. 119,098 million, helping EBITDA margin improve by 2.2% from 31% in FY15 to 33.1%.

The increase in 'Depreciation & Amortisation' charge to Rs. 62,321 million and 'Interest & Finance Cost (net)' of Rs. 15,764 million during FY16 reflects additional charges on account of a) Renewal of existing licenses in 7 established circles w.e.f. Dec 2015, b) Launch of 4G services in 10 circles from Dec 2015, c) Introduction of 3G 2nd carrier 900 MHz in 2 circles during Q4FY16 d) Launch of 3G services in Kolkata metro during Q3FY16.

Therefore, inspite strong EBITDA growth, Idea Standalone 'Profit After Tax' for FY16 stands at Rs. 26,766 million against Rs. 28,522 million in FY15 (excluding Indus Dividend). However, the Annual Cash Profit of Rs. 101,201 million for FY16 grew by 19.3% (vs Rs. 84,820 million in FY15). The Net Debt as on 31st March, 2016 stands at Rs. 387.5 billion, including all Deferred Payment Liability from Auctions. The Net Debt to Annualised Q4FY16 EBITDA stands at 2.92 times.

During the quarter, Idea & Videocon jointly decided to terminate the Agreement for 'Transfer of Right to Use 1800 MHz spectrum', with no liability.

At consolidated level including 16% Indus contribution, Idea gross revenue in Q4FY16 has grown by 12.6% on YoY basis to Rs. 94,839 million, the EBITDA at Rs. 36,160 million grew by 18%, EBITDA margin improved by 1.7% to 38.1% and this quarter PAT stands at Rs. 5,756 million.

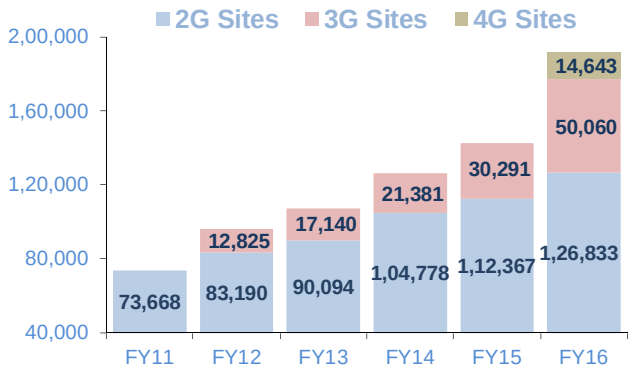
With consistent performance, the board of Idea is pleased to recommend dividend @ 6%, an overall payment of Rs. 2,600 million (including dividend distribution tax).

FY16 results once again demonstrate, Idea is on course of its stated mission of consistent, competitive, responsible and profitable growth. The ever improving brand affinity, accelerated pan India infrastructure expansion and strong cash flows are lead indicators of Idea's ability to meet all volatile, uncertain, complex and ambiguous developments. Company remains nimble, agile, adaptable & confident to capitalize all emerging opportunities in Mobile Voice and Data Market.

C. Balance Sheet

During the quarter company has recognised Deferred Payment liability of Rs. 1.24 billion related to the 1800 MHz spectrum allocation received for the service areas of Karnataka. With this, all spectrum related liability is now reflecting in the Net Debt of Rs. 387.5 billion. The Net-Worth of Rs. 253.2 billion combined with an average (current and preceding three quarters) Cash Profit of ~Rs. 25,300 million per quarter provides a solid foundation to support the company's growth plan.

D. Capex



Idea rolled out 14,466 2G cell sites, 19,769 3G sites and 14,643 4G cell sites during the year, highest ever rollout of 48,878 sites in a year. The total EoP site count stands at 191,536 – 126,833 for 2G, 50,060 for 3G and 14,643 for 4G.

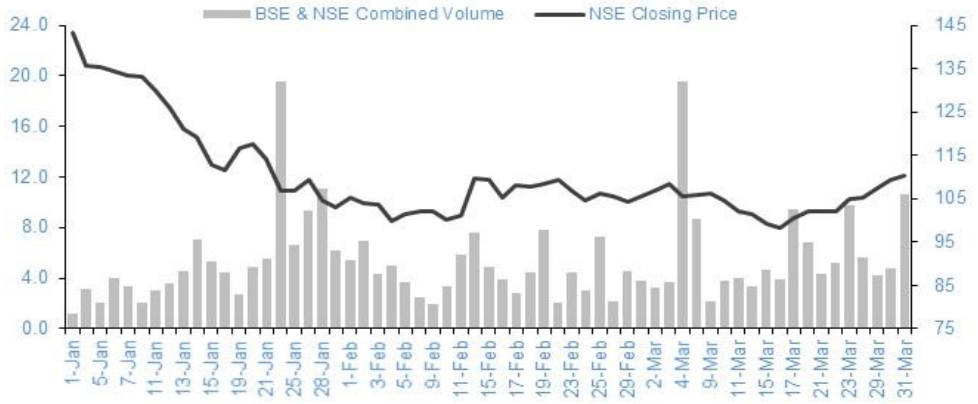
The total addition to the Gross Block including CWIP for the year was Rs. 77.7 billion (excluding capitalised forex fluctuation of Rs. 1.8 billion for the year, capitalised interest of Rs. 18.8 billion related to capitalised spectrum and spectrum capitalisation). The capex guidance for FY17 is Rs. 65 - 70 billion with current spectrum portfolio. This excludes cost of any new spectrum that may be acquired and the associated capex.

9. Stock Market Highlights

General Information		
BSE Code		532817
NSE Symbol		IDEA
Reuters		IDEA.BO/IDEA.NS
No of Shares Outstanding (31/03/2016)	mn	3600.51
Closing Market Price - NSE (31/03/2016)	INR/share	110.20
Combined Volume (NSE & BSE) (01/01/2016 to 31/03/2016)	mn/day	5.3
Combined Value (NSE & BSE) (01/01/2016 to 31/03/2016)	INR mn/day	578.9
Market Capitalisation (31/03/2016)	INR bn	397
EPS for the Quarter (Annualised)	INR/share	6.39
Enterprise Value (31/03/2016)	INR bn	790
Price to Earning	times	17.2
Price to Cash Earning	times	3.4
Price to Book Value	times	1.5
EV/Annualised EBITDA	times	5.5

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

Volume (no. of Shares in mn) Closing Price (INR)



10. Shareholding Pattern as on March 31, 2016:

Particulars	Idea Cellular Ltd.	
Promoter and Promoter Group	**No. of Shares**	**% holding**
Indian	1,52,06,79,047	42.24%
Foreign	-	
Public Shareholding	**No. of Shares**	**% holding**
Foreign Holding	1,83,03,48,435	50.84%
Indian Institutions	18,22,59,571	5.06%
Others	6,72,22,325	1.87%
Total	**3,60,05,09,378**	**100.00%**

11. Glossary

Definitions/Abbreviation	Description/Full Form
3G	Third Generation of Mobile Telephony
3G Subscriber	Any Subscriber forming part of EoP subscribers, having usage event on 3G network, during last 30 days
3G Data Subscriber	Any Data Subscriber with Data usage of more than 15MB on 3G network in last 30 days (excluding 3G data subscriber reported as 4G data subscriber)
4G Subscriber / 4G Data Subscriber	Any Subscriber with Data usage of more than 15MB on 4G network in 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
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 till Q3FY15 Any Subscriber with data usage of more than 10MB in last 30 days from Q4FY15 till Q2FY16 Any Subscriber with data usage of more than 15MB in last 30 days from Q3FY16 onwards

Definitions/Abbreviation	Description/Full Form
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 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
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

Definitions/Abbreviation	Description/Full Form
Net Worth	calculated as the summation of Share Capital and Reserves & Surplus reduced by debit balance of Profit & Loss account (if any)
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 diving 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
Service Area	Unless otherwise specifically mentioned, means telecom service areas in India as defined by the DoT.