

ADITYA BIRLA



IDEA Cellular

August 8, 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: Un-audited Financial Results for the First Quarter Ended 30th June, 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 first quarter ended 30th June, 2016.

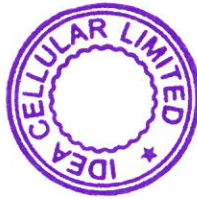
The above is for your information and dissemination to the public at large.

Thanking you,

Yours truly,

For Idea Cellular Limited

Pankaj Kapdeo
Company Secretary



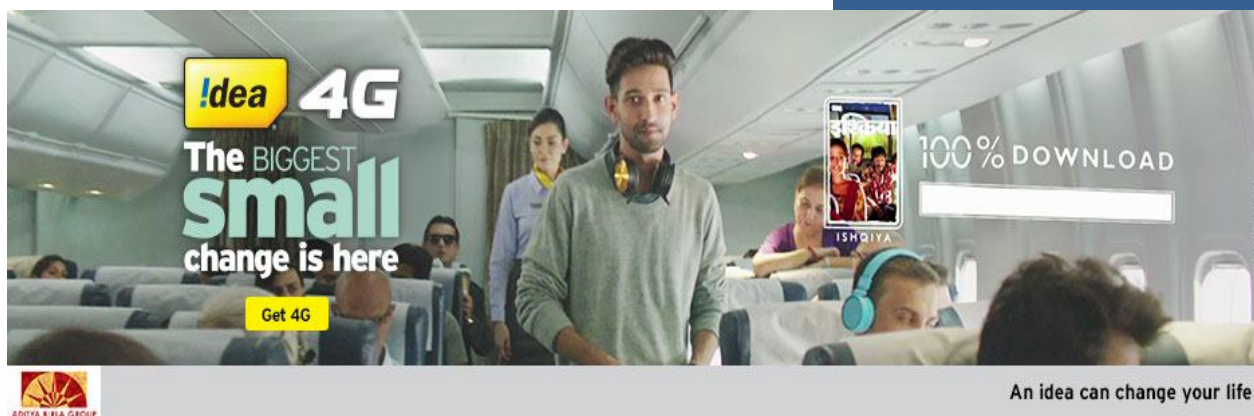
Encl: As above



Idea Cellular Limited

An Aditya Birla Group Company

Quarterly Report – First Quarter Ended June 30, 2016



Registered Office:

Suman Tower, Plot No. 18, Sector
11, Gandhinagar 382011
Gujarat, India

Corporate Office:

5th Floor, Windsor, Off C.S.T. Road,
Near Vidya Nagari, Kalina
Santacruz (East),
Mumbai 400 098, India

www.ideacellular.com

investorrelations@idea.adityabirla.com



Supplemental Disclosures

Unless stated otherwise, the financial data in this report is derived from our un-audited / audited financial statements prepared in accordance with Ind AS adopted in Q1FY17, with transition date of April 01, 2015. The earlier period financial data is based on IGAAP. Our financial year ends on 31st March 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, Ind AS and U.S. GAAP; accordingly, the degree to which the Ind AS 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. Changes in Reporting

A. 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 Indus and ABIPBL.
- b) Consolidated** – In addition to Idea Standalone as defined above, this covers the proportionate consolidation of Indus (16%) and ABIPBL (49%) at PAT level.

B. Adoption of Ind AS

- From this quarter, the Company has for the first time adopted Ind AS with a transition date of April 01, 2015.
- The comparable figures based on Ind AS for Q1FY16 and FY16 financials are provided in the quarterly report.
- Reconciliation of Ind AS vs IGAAP is provided under section 5. C on page 17 of this report.
- The financials for other periods are based on IGAAP. For the remaining 3 quarters of FY16, comparable figures based on Ind AS financials will be reported in following quarters.

Ind AS 101 on First time adoption allows for decisions on accounting positions to be taken by March '17 when the first Ind AS compliant annual financial statements for FY17 will be drawn up. There could be some change in the balance sheet being presented now to that extent.

C. Data Revenue Recognition

Consequent to the change in terms regarding carry forward conditions of unused data entitlement in data packs has resulted in additional deferment. This shift has adversely impacted the reported mobile data revenue for the quarter by Rs. 1,276 million, EBITDA by Rs. 1,101 million and EBITDA margin by 0.7% (normalised margin @33.1% vs reported margin @32.4%). However, as this is a one-time adjustment on account of additional deferment, the KPIs (section 7. Key Performance indicator at page 19 and 20 of report) are reported without considering the impact of this change.



2. Performance at a glance – Idea Standalone

Particulars	Unit	Ind AS		Ind AS	IGAAP				
		Q1FY17	Q1FY16	FY 16	FY 15	FY 14	FY 13	FY 12	
Operating Highlights									
Subscriber base (EoP)	mn	176.2	162.1	175.1	157.8	135.8	121.6	112.7	
2G - Cell Sites (EoP)	nos.	1,27,835	1,15,575	1,26,833	1,12,367	1,04,778	90,094	83,190	
3G - Cell Sites (EoP) (U2100+U900)	nos.	51,231	33,621	50,060	30,291	21,381	17,140	12,825	
4G - Cell Sites (EoP) (L 1800)	nos.	19,939		14,643					
Total Minutes of Use	Mn	1,99,307	1,95,752	7,85,975	6,83,427	5,87,768	5,32,120	4,53,123	
Total Data Volume (2G+3G+4G)	Mn MB	93,127	62,677	2,97,920	1,72,531	79,381	37,381		
Financial Highlights									
Gross Revenue	Rs mn	94,866	87,915	3,59,494	3,15,548	2,65,036	2,25,949	1,96,800	
EBITDA	Rs mn	30,742	29,793	1,19,674	97,679	73,467	53,516	44,658	
PAT	Rs mn	4,971	7,778	23,780	34,772	17,932	10,080	6,036	
Cash Profit ¹	Rs mn	25,209	25,112	99,010	84,820	64,350	46,968	36,079	
Net Block + CWIP	Rs mn	7,04,871	3,97,567	7,12,238	3,74,290	3,76,792	2,80,541	2,57,973	
Net Worth	Rs mn	2,37,716	2,18,764	2,32,641	2,28,518	1,58,787	1,41,808	1,29,058	
Loan Funds	Rs mn	4,16,759	1,92,188	4,05,413	2,58,754	1,93,616	1,26,688	1,20,957	
Cash & Cash Equivalent	Rs mn	40,179	17,124	20,996	1,30,714	1,761	10,806	1,406	
Net Debt	Rs mn	3,76,579	1,75,065	3,84,417	1,28,041	1,91,855	1,15,881	1,19,550	
Net Debt to EBITDA ²	unit	3.06	1.47	3.21	1.31	2.61	2.17	2.68	
Net Debt to Net Worth	unit	1.58	0.80	1.65	0.56	1.21	0.82	0.93	

¹ Dividend received from Indus is considered while calculating standalone (Idea+ Subsidiaries) PAT and Cash Profit.

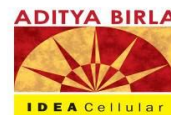
² Net Debt to EBITDA for the quarter is based on Annualised figure of quarterly EBITDA.

3. Company Overview

Idea Cellular Limited ("Idea") is the third largest wireless operator in India with a Revenue Market Share (RMS) of 19.3% (Q4FY16). In the 15 Established Service Areas, its RMS stands at a strong level of 22.4% (Q4FY16). The company carried around 2.19 billion minutes on a daily basis during the quarter Q1FY17. 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 March 2016). Company is listed on National Stock Exchange and Bombay Stock Exchange in India with a market capitalization of Rs. 384 billion (as on June 30, 2016).

A. Promoters and Key Shareholders

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



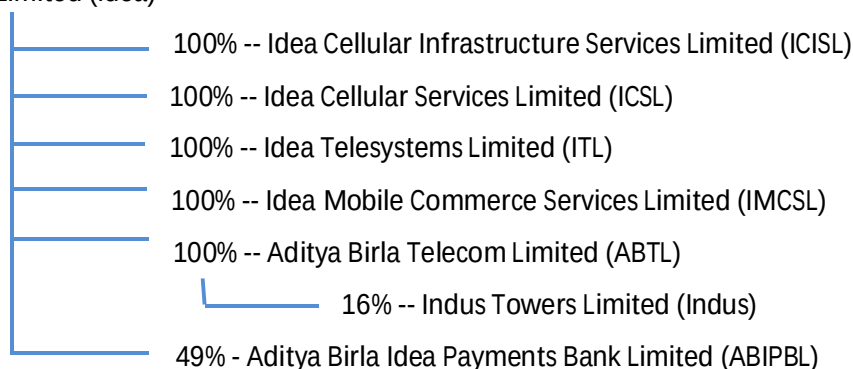
black, textiles, garments, chemicals, fertilizers, life insurance and financial services industries etc. The Group currently has shareholding holding of 42.23% in Idea, through following entities;

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	42.23%

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.

B. Corporate Structure

Idea Cellular Limited (Idea)

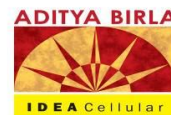


ICISL – A tower company owning towers in Bihar and Orissa service areas. Additionally, it also own towers of Idea standalone (legal entity) post recent conclusion of business transfer agreement.

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 India 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.

C. 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 118 million subscribers (~67% of the customer base). After including 7 new telecom licenses and spectrum acquired in November 2012 auction, Idea achieved amongst the highest renewal among the incumbent operators, 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 at 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 license & linked 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	~5 years
Mumbai, Bihar	2	1800 MHz	2026	~10 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 Services - 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 and launched 3G service in the month of December, 2015. The 3G foot-print of Idea's own 3G spectrum covers 13 service areas (12 with 2100MHz and one with 900 MHz) accounting for over 79% of its



revenue, ~74% of its subscribers and ~60% of national mobile industry revenue. The company since March 2016 has also launched second carrier 3G on 900 MHz in service areas of Maharashtra and MP.

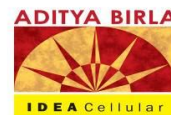
4G Services – In February 2014 auction, Idea won 60.2 MHz spectrum in 1800 frequency band including 4G LTE compatible contiguous blocks of 5/10MHz in 8 service areas along with top-up GSM spectrum in 7 service areas. In March 2015 spectrum auction, Idea won additional 20.4 MHz spectrum in 1800 band including 4G LTE compatible contiguous blocks of 5MHz in 2 new service areas, 4.8 MHz non-contiguous spectrum (now harmonised and contiguous) in H.P. (4G LTE will be launched in HP on approval of DoT for conversion of partial spectrum to full service area, available now due to 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 ~61% of Idea's revenue and ~50% of national mobile industry revenue, with launch in 11th service areas in H.P. post DoT's approval.

On 23rd December, 2015, Company took the historic giant leap in its telecom journey with launch of its 4G LTE services. Post 4G introduction, Idea has moved fast, launching 4G services in 7,159 towns & villages in 10 service areas (Maharashtra & Goa, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Kerala, Haryana, Punjab, Karnataka, Orissa, NESO and Tamil Nadu), covering around 151 million Indians, 27% of Indian population in these 10 circles. As on June 30, 2016, over 1.8 million Idea customers are actively using its 4G services.

The overall Broadband spectrum profile (3G or 4G) of Idea now covers ~87% of Idea revenue and ~79% of Industry revenue in 17 telecom circles, with ability to offer wireless broadband services on 3G and/or 4G technology to nearly 880 million Indian population with own spectrum. The company in the short span of 2 to 3 years has built wireless broadband coverage & operating near pan India (Including 3G ICR arrangement), a clear testimony of Idea's ability to compete & sustain its high growth momentum.

Digital Services - To enhance Idea consumer experience on Idea high speed broadband services, the company is making serious efforts to enter into Digital services space. Idea is gearing itself to introduce by Q4FY17 with a range of Digital entertainment services including Idea Music, Games, Movies & Videos. Further, Idea's efforts are on to introduce Live TV, Digital Magazines & Newspaper subscription, Video & Audio Chat, Rich messaging and Voice over IP services in FY17-18. Idea's model for digital services includes build or partner technology platform while sourcing directly (or in partnership) the content from labels, aggregators and providers.

- 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. Idea ISP services cater to the captive requirement of its mobile business as well as offer 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 120,700 km OFC, in comparison to over 84,000 km two years back (Q1FY15). During last 12 months (July'15 to Jun'16), Idea has more than doubled its fibre rollout to 25,600 km against 11,100 km during July'14 to June'15, gearing itself to tap emerging wireless broadband demand. Idea has over 7,650 OFC PoPs (3G & 2G) in all Circles. The fibre backhaul network of the company optimally serves our 2G/ 3G/ 4G/ 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	
		Q1FY17	Q4FY16	Q3FY16	Q2FY16	Q1FY16	QoQ	YoY
Total NLD Minutes	mn	15,899	16,172	16,247	16,287	16,335	-1.7%	-2.7%
Total ILD Minutes	mn	2,910	2,916	3,020	2,747	2,559	-0.2%	13.7%
ISP Capacity*	Gbps	204.0	184.2	158.3	152.7	125.0	10.7%	63.2%
Optical Fibre Cable (OFC)*	KM	1,20,700	1,15,500	1,05,600	1,00,400	95,100	4.5%	26.9%
PoPs	Nos.	7,650	7,220	6,360	5,750	5,280	6.0%	44.9%

*Approx capacity

3. Idea Mobile Banking Services -

Idea board has approved transfer of its mobile banking subsidiary (IMCSL) with ABIPBL in accordance with RBI guidelines. The company is taking necessary steps to file merger petition under section 391 to 394 of Companies Act 1956 with the respective High Court(s). IMCSL will cease to exist post approval by all regulatory authorities. The latest status of its operations is as follows

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 July 2014 and currently operates in 16 Circles. Idea is also now aggressively acquiring new mobile wallet customers either through retailer or digitally through Idea Web and Idea App. Idea Money wallet is available on Android Platform and launched on iOS Platform in Q1FY17. The company offers both cash loading through its wide retail distribution network and web loading (through net banking) into the wallets. These wallet accounts can be opened with minimum KYC for balance up to



Rs.10,000/-. The company is tying-up with multiple merchants across travel, entertainment, food services etc., to expand consumer use of digital money.

Idea Money also launched Domestic Money Remittance (DMR) with IMPS / NEFT facility on PPI platform from 18th April 2016. The service is now available across 17 Circles. During Q1FY17, IMCSL has achieved transaction worth Rs. 450 million throughput on DMR platform.

IMCSL is 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. The key transaction for Mobile wallet includes Mobile Bill Recharge, Mobile Post-paid Bill Payments, Utility Bill payments, Money transfer between wallet to wallet and between wallet to bank account. Idea Money has tie ups with online and offline merchants like Book My show, KFC, Dominos, Yep Me, Make My Trip, IRCTC, Bajaj Allianz, LIC, Café Coffee Day etc. Idea as on June 30, 2016 has acquired more than 3.4 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
		Q1FY17	Q4FY16	Q3FY16	Q2FY16	Q1FY16	
EOP Wallet	000	3,407	2,053	590	125	3	66.0%
Transaction Value	INR Mn	916	773	262	69	1	18.5%
Transaction Count	000	2,747	3,502	1,136	336	3	-21.6%
Average Transaction Value	INR	334	221	231	205	197	51.1%

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. 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 Senior Management Team, selecting the right IT system, 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 First Half of 2017. The company will acquire and service new Payments Bank customers both 'Online' leveraging the power of Idea and ABG's ~50 million 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 & 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. Necessary steps have been initiated for transfer / merger of the existing PPI business to ABIPBL. ABIPBL will retain the customers, partners and technology used by IMCSL for running its business.

4. 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	✓	✓	✗
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	✓	✗	✗
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 now available in Pune and Nasik for Maharashtra, Amritsar & Ludhiana for Punjab, Sirsa for Haryana and Khasi Hill & Tawang for North East Service Area. Awaiting the DoT approval post necessary spectrum payment to convert partial spectrum to full circle.

**4.0 MHz in HP, 1.8MHz in UPW and 1 MHz in North East is partially available. Expect to convert partial spectrum to full circle post expected DoT approval, shortly.

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 31.4% (Q4FY16). These 'service areas' contribute ~41% of national mobile industry revenue and ~67% of Idea's revenue. In spite of intense market competition, Idea has improved its revenue market share by 1.4% in these 8 leadership service areas over last one year to 31.4% (Q4FY15 RMS 29.9%) delivering over ~53% of Industry incremental RMS on YoY basis in Q4FY16.



8 Established Service Areas				
Service Areas	RMS Q4FY16*	RMS Rank	Spectrum Profile	
Kerala	41.9%	1	2G/3G/4G	<ul style="list-style-type: none"> • 41.4% of India Mobility Revenue and 67.2% of Idea Revenue • Incremental RMS @53.5% - Q4FY16 vs Q4FY15
M.P.	41.8%	1	2G/3G/4G	
Maharashtra	33.1%	1	2G/3G/4G	
UP W	31.7%	1	2G/3G	
Punjab	29.3%	1	2G/3G/4G	
Haryana	27.1%	2	2G/3G/4G	
A.P.	24.7%	2	2G/3G/4G	
Gujarat	22.6%	2	2G/3G	
Total	31.4%	1		

*Gross Revenue for Mobile & UAS Licenses released by TRAI & Co's Estimate

Idea has rolled out 3G services in all these 8 strategically important service areas and around 65% 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 from year 2015). 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 (through own spectrum) and has upgraded over 48% of its existing GSM sites in the 3 service areas with additional 3G services. 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 0.6% in these service areas over last one year to 12.9% in Q4FY16 (Q4FY15 RMS 12.3%) delivering ~27% incremental RMS on YoY basis.

7 Emerging Service Areas				
Service Areas	RMS Q4FY16*	RMS Rank	Spectrum Profile	<ul style="list-style-type: none"> • ~39% of India Mobility Revenue and ~26% of Idea Revenue • Incremental RMS @ ~27% -Q4FY16 vs Q4FY15
Bihar	14.8%	2	2G	
H.P.	13.3%	2	2G/3G/4G	
Rajasthan	14.5%	3	2G	
UPE	14.1%	3	2G/3G	
Delhi	12.7%	3	2G/3G	
Karnataka	11.4%	4	2G/4G	
Mumbai	11.0%	4	2G	
Total	12.9%	3		

*Gross Revenue for Mobile & UAS Licenses released by TRAI & Co's Estimate

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, has a quarterly EBITDA loss at Rs. 1,140 million in Q1FY17.

The present combined RMS in these 7 service areas is at 6.8% in Q4FY16. In last one year Idea has increased its RMS by 1.2% (vs Q4FY15 RMS 5.6%). Idea remains committed to increase its competitive strength. The incremental RMS in these 7 new service areas between Q4FY16 to Q4FY15 is ~30%, indicating good potential of improving long term 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

7 New Service Areas				
Service Areas	RMS Q4FY16*	RMS Rank	Spectrum Profile	<ul style="list-style-type: none"> • ~20% of India Mobility Revenue and ~7% of Idea Revenue • Incremental RMS @ ~30% -Q4FY16 vs Q4FY15
WB	9.7%	3	2G	
J&K	7.1%	5	2G/3G	
TN	6.2%	5	2G/4G	
Assam	5.4%	5	2G	
NESA	4.6%	5	2G/4G	
Kolkata	7.6%	6	2G/3G	
Orissa	5.8%	6	2G/4G	
Total	6.8%	5		

*Gross Revenue for Mobile & UAS Licenses released by TRAI & Co's Estimate

2100 spectrum and has upgraded ~57% of its existing GSM sites in the 2 service areas with additional 3G services.

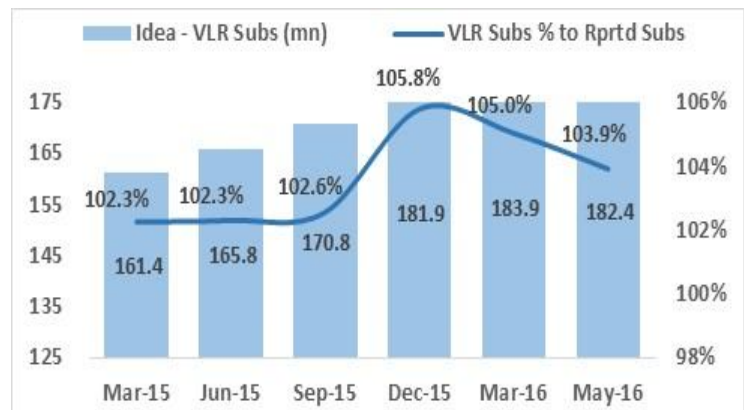


The company has also recently launched its 4G services in 3 Service Areas – Tamil Nadu in December 2015 and in Orissa and North East service areas during Q4FY16.

E. 183 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 March 2016) currently servicing ~183 million VLR subscribers as of June 30, 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 (May 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 May 2016, Idea has 103.9% of reported subscribers as VLR subscribers, which is highest in the industry.



Idea's EoP subscriber market share (on VLR) at the end of May 2016 stands at 19.6% (as against a reported subscriber markets share @17%) an improvement of 0.7% on YoY basis.

In last 12 months from June'15 to May'16 Idea has added VLR subscribers of 18.5 million against overall industry annual VLR subscriber growth at 63.9 million. The company is pleased to consistently add ~30% of industry Active Subscriber base addition. Today, nearly 1 out of 3 Indian who buy new connection, prefer Idea and 183 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 184.9 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 66 months in the MNP space, Idea has maintained leadership position on overall MNP Net Adds. As on June 30, 2016 Idea has a net MNP gain of 18.9 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 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 120,739 towers and tenancy ratio of 2.26 as of June 30, 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 June 30, 2016.

• Own Towers

Idea (ICL) has completed transfer of its own towers to ICISL (a wholly owned subsidiary) and all towers are under a single legal entity as of August 01, 2016. As the transfer is to a wholly owned subsidiary, there will be no impact on the results. Besides investment in Indus Tower, Idea along with its subsidiary ICISL, owns 9,760 towers as on June 30, 2016. There are 16,243 tenants on these towers, resulting in tenancy ratio of 1.66. During the last 12 months the company has added 228 towers and 900 tenancies as it reorganizes itself to improve its tower tenancy ratio.

Overall Business	Unit	For the Quarter				
		Q1FY17	Q4FY16	Q3FY16	Q2FY16	Q1FY16
Owned Towers (EoP)	No.	9,760	9,744	9,640	9,578	9,532
Tenancy Ratio - Owned Towers	Times	1.66	1.66	1.64	1.61	1.61
Number of Tenants	No.	16,243	16,168	15,802	15,465	15,314

5. Financial Highlights (Ind AS)

A. Profit & Loss Account (Rs mn)

	IndAS		IGAAP		
	Q1FY17	Q1FY16	Q4FY16	Q3FY16	Q2FY16
Gross Revenue	94,866	87,915	94,818	90,089	86,799
Opex	64,124	58,122	61,619	61,576	59,026
EBITDA	30,742	29,793	33,199	28,513	27,773
EBITDA Margin	32.4%	33.9%	35.0%	31.6%	32.0%
Depreciation & Amortisation	19,192	14,117	18,661	15,206	14,327
EBIT	11,551	15,676	14,538	13,307	13,446
Interest and Financing Cost (net)	9,224	3,240	7,513	3,175	2,516
Dividend from Indus	3,623	-	-	-	-
PBT	5,950	12,437	7,025	10,132	10,930
Tax	978	4,658	2,374	3,518	3,829
PAT (standalone)	4,971	7,778	4,650	6,614	7,102
Cash Profit	25,209	25,112	26,858	23,493	25,318
Consolidation Impact					
Elimination on Dividend recd from Indus	(3,623)	-	-	-	-
Share of Profit from Indus & Payments Bank	1,035	927	1,106	1,029	991
Deferred Tax on Undistributed earnings of Indus	(179)	(158)	NA		
Consolidated PAT	2,204	8,548	5,756	7,642	8,093
Other comprehensive income (net of Tax)	(33)	(32)			
Total comprehensive income for the period	2,171	8,516			



B. Balance Sheet (Rs mn)

Particulars	Idea Consolidated as on	
	30-Jun-16	31-Mar-16
Assets		
Non-current assets		
Property, plant and equipment	2,09,897	2,11,872
Capital work-in-progress	7,101	6,623
Goodwill	61	61
Intangible assets	4,87,792	4,39,969
Capital work-in-progress -Intangible assets	82	53,775
Financial assets		
Non-current investments	17,976	21,405
Long term loans	24	25
Other non-current financial assets	4,388	4,313
Other non-current assets	13,774	13,593
Total non-current assets (A)	7,41,095	7,51,634
Current assets		
Inventories	777	1,065
Financial assets		
Current investments	39,619	13,305
Trade receivables	11,116	11,424
Cash and cash equivalents	498	7,630
Bank balance other than cash and cash equivalents	63	61
Other current financial assets	5,507	5,586
Current Tax Assets (Net)	73	56
Other current assets	6,507	10,335
Total current assets (B)	64,159	49,462
Assets classified as held for sale (C)	15	155
Total Assets (A+B+C)	8,05,268	8,01,252
Equity and liabilities		
Equity		
Equity share capital	36,008	36,005
Other equity	2,01,686	1,99,499
Total equity (A)	2,37,694	2,35,504
Non-Current Liabilities:		
Financial liabilities		
Non-current borrowings	3,78,693	3,59,040
Other non-current financial liabilities	9,352	23,720
Long term provisions	3,625	3,455
Deferred tax liabilities (net)	19,240	19,539
Other non-current liabilities	4,019	4,108
Total Non-Current Liabilities (B)	4,14,928	4,09,862
Current Liabilities:		
Financial liabilities		
Current borrowings	7,787	16,456
Trade payable	34,894	32,468
Current maturities of long term debt	30,278	29,917
Other financial liabilities	47,256	52,624
Other current liabilities	32,221	23,494
Short term provisions	210	926
Total Current Liabilities (C)	1,52,646	1,55,885
Total equity and liabilities (A+B+C)	8,05,268	8,01,252

C. Reconciliation Ind AS vs IGAAP

i. Equity Reconciliation (Rs mn)

Sr. No.	Other Equity as on Mar-16- IGAAP (Rs Mn)	2,17,190
1	Effects of measuring financial instruments at fair value through P&L	-25,889
2	Inflation linked escalation on rental income / expense not equalized over the lease term	5,811
3	Loan processing fee on borrowings re-aligned as per Effective Interest Rate (EIR) method	206
4	Others	-18
5	Depreciation on exchange loss capitalised for FY16	-279
6	Deferred Tax impact on above changes	-2,984
7	Reversal of Proposed Dividend & DDT	2,600
Other Equity as on Mar-16- Ind AS		1,96,635
Net Impact of GAAP Adjustments for FY16		-20,554

ii. Profit Reconciliation – (Rs mn)

		Q1 FY16	FY 16
	PAT as per IGAAP	8,401	26,766
1	Effects of measuring financial instruments at fair value through P&L	-584	-2,956
2	Inflation linked escalation on rental income / expense not equalized over the lease term	241	824
3	Share based Payments recognised at fair value (ESOPs)	-81	-297
4	Others	-66	-301
5	Deferred Tax impact on above changes	-134	-256
PAT as per Ind AS		7,778	23,780
Add: Other Comprehensive Income (net of tax)		-31	-130
Total Comprehensive Income (B)		7,748	23,650
Net Impact of GAAP Adjustments [(B) - (A)]		-653	-3,116



6. Pro-forma Revenue and Profitability Break-up (Ind AS)

Rs mn

Revenue Break-up	For the Quarter	
	Q1FY17	Q1FY16
Gross Revenue - Established Service Areas	88,051	82,466
Gross Revenue - New Service Areas	6,815	5,449
Total Revenue	94,866	87,915

EBITDA Break-up	For the Quarter	
	Q1FY17	Q1FY16
EBITDA - Established Service Areas	31,882	31,456
EBITDA - New Service Areas	(1,140)	(1,663)
EBITDA - Idea Standalone	30,742	29,793
EBITDA Contribution - Indus(16%), ABIPBL(49%)	2,854	2,693
EBITDA - Incl. Indus & ABIPBL Contribution	33,596	32,486

EBITDA Margin	For the Quarter	
	Q1FY17	Q1FY16
EBITDA % - Established Service Areas	36.2%	38.1%
EBITDA % - New Service Areas	-16.7%	-30.5%
EBITDA % - Idea Standalone	32.4%	33.9%
EBITDA % - Incl. Indus & ABIPBL Contribution	35.4%	37.0%

Dep. & Amort. Break-up	For the Quarter	
	Q1FY17	Q1FY16
Dep & Amort. - Idea Standalone	19,192	14,117
Dep. & Amort. Cost - Indus(16%), ABIPBL(49%)	1,055	1,003
Dep. & Amort. - Incl. Indus & ABIPBL Contribution	20,247	15,120

EBIT Break-up	For the Quarter	
	Q1FY17	Q1FY16
EBIT - Idea Standalone	11,551	15,676
EBIT Contribution - Indus(16%), ABIPBL(49%)	1,799	1,690
EBIT - Incl. Indus & ABIPBL Contribution	13,349	17,366

Interest & Finance Cost Break-up	For the Quarter	
	Q1FY17	Q1FY16
Gross Interest Cost - Idea Standalone	9,882	4,415
Gross Interest Income - Idea Standalone	(658)	(1,175)
Int. & Fin. Cost (net) - Idea Standalone	9,224	3,240
Int. & Fin. Cost (net) - Indus (16%), ABIPBL (49%)	189	265
Int & Fin Cost (net) - Incl. Indus & ABIPBL Contribution	9,413	3,505

Dividend from Indus	3,623	-
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Tax Break-up	For the Quarter	
	Q1FY17	Q1FY16
Tax - Idea Standalone	978	4,658
Tax - Indus(16%), ABIPBL(49%)	574	497
Deferred Tax impact on Undistributed Indus Profit	179	158
Tax - Incl. Indus & ABIPBL Contribution	1,732	5,313

PAT Break-up	For the Quarter	
	Q1FY17	Q1FY16
PAT - Idea Standalone	4,971	7,778
PAT Contribution - Indus(16%), ABIPBL(49%)	1,035	927
Indus Dividend Elimination	(3,623)	-
PAT - Incl. Indus & ABIPBL Contribution	2,204	8,548

Note:

- For the above information the financials of Associates / Joint Ventures are considered as reported by them, without any changes for the differences in accounting treatment. The information provided here is only to provide a perspective to Idea's position on a consolidated basis and for comparing it to earlier reported periods.
- The proportionate share of Indus revenue is largely eliminated while consolidating with Idea under IGAAP. Hence, for the purpose of this presentation Indus Revenue is ignored.



7. Key Operational Indicators – Idea Standalone

Overall Business	Unit	For the Quarter				
		Q1FY17	Q4FY16	Q3FY16	Q2FY16	Q1FY16
Subscriber Base (EoP) (2G+3G)	mn	176.2	175.1	171.9	166.6	162.1
VLR Subscribers (EoP)	mn	183.2	183.9	181.9	170.8	165.8
Net VLR Subscriber addition	mn	(0.7)	2.0	11.0	5.0	4.4
Pre-paid Subs (% of EoP subscribers)	%	95.4%	95.5%	95.6%	95.6%	95.6%
Number of 3G Devices (Including 4G devices)	mn	61.4	60.4	55.5	48.7	42.3
Out of Above - 4G Devices	mn	14.2	11.1	6.1		
3G/4G Device Penetration (on EoP)	%	34.8%	34.5%	32.3%	29.2%	26.1%
3G Subscribers (Voice+Data) (EoP)	mn	32.3	30.5	27.6	24.5	21.3
Average Revenue per User (ARPU) Blended	INR	181	179	176	175	182
Average Voice Revenue Per User (Voice ARPU)	INR	130	129	125	126	134
Average Minutes of Use per User (MoU)	min	379	387	393	386	408
Average Realisation per Minute (ARPM)	paisa	47.7	46.4	44.8	45.3	44.5
Average Realisation per Minute (Voice ARPM)	paisa	34.3	33.3	31.8	32.7	32.9
Post-paid Churn	%	3.0%	2.9%	2.8%	3.2%	3.1%
Pre-paid Churn	%	5.3%	4.8%	5.4%	5.2%	4.7%
Blended Churn	%	5.2%	4.7%	5.3%	5.1%	4.7%
2G Coverage - No. of Census Towns	no.	7,634	7,625	7,554	7,527	7,513
2G Coverage - No. of Villages	no.	3,86,403	3,83,372	3,76,122	3,70,320	3,63,580
2G Coverage - Population	Mn	992	988	974	966	957
% of Population (22 Circles)	%	82.0%	81.6%	80.5%	79.8%	79.1%
3G Coverage - No. of Census Towns	no.	3,975	3,923	3,838	3,584	3,394
3G Coverage - No. of Villages	no.	57,163	56,756	51,293	42,091	29,378
3G Coverage - Population	Mn	349	348	340	306	276
% of Population (13 Circles)	%	50.6%	50.4%	48.0%	45.4%	41.0%
4G Coverage - No. of Census Towns	no.	1,968	1,327			
4G Coverage - No. of Villages	no.	5,191	2,619			
4G Coverage - Population	Mn	151	116			
% of Population (10 Circles)	%	27.3%	21.0%			



Overall Business	Unit	For the Quarter				
		Q1FY17	Q4FY16	Q3FY16	Q2FY16	Q1FY16
Total Minutes of Use	mn	1,99,307	2,01,606	1,99,165	1,89,452	1,95,752
Total 2G Cell Sites (EoP)	no.	1,27,835	1,26,833	1,22,515	1,19,276	1,15,575
Total 3G Cell Sites (EoP)	no.	51,231	50,060	45,732	39,867	33,621
Total 4G Cell Sites (EoP)	no.	19,939	14,643	1,813		
Towers - Rented Indus (EoP)	no.	67,743	67,169	64,721	63,287	61,593
Towers - Rented Others (EoP)	no.	50,509	50,049	48,249	46,489	44,508
Owned Towers (EoP)	no.	9,760	9,744	9,640	9,578	9,532
Tenancy Ratio - Owned Towers	times	1.66	1.66	1.64	1.61	1.61
Manpower on Rolls (EoP)	no.	17,624	17,571	16,948	16,218	15,776
Non-Voice and Data Business (2G+3G+4G)						
VAS as a % of Service Revenue	%	28.2%	28.3%	28.9%	27.9%	26.1%
Data as a % of Service Revenue	%	20.6%	20.1%	20.2%	19.6%	17.7%
Non-Data VAS as a % of Service Revenue	%	7.6%	8.2%	8.6%	8.2%	8.4%
Total Data Subscribers (2G+3G+4G)*	000	49,050	44,019	41,351	41,334	37,156
Total Data Volume (2G+3G+4G)	Mn MB	93,127	82,236	80,994	72,013	62,677
Blended Data ARMB	paisa	21.1	22.9	22.3	23.4	24.6
Data ARPU for Data Subscriber (2G+3G+4G)	INR	142	147	145	144	147
Data Usage by Data Subscriber (2G+3G+4G)	MB	674	641	653	615	599
Broadband Business (3G+4G) - Network KPIs						
3G Data Volume	Mn MB	61,914	56,165	53,600	43,051	36,031
4G Data Volume	Mn MB	4,939	1,438			
Broadband Data Uages by Broadband Subs	MB	889	857	866	802	778
Broadband Business (3G+4G) Subscribers KPIs						
3G Data Subscribers	000	25,200	22,909	21,199	19,585	16,660
4G Data Subscribers	000	1,800	680			
Data ARPU for Broadband Subs**	INR	174	191	196	202	203

*Refer revised definition for Data Subscriber

**Including data revenue for use on 2G network

Note: The above KPIs are derived without considering any impact of change in the practice of data revenue recognition.



8. Management Discussion & Analysis

A. Strong Operating Performance

The financial results for this quarter and Q1FY16 (restated) are based on Ind AS. The Q1FY17 financial performance is not comparable with Q1FY16 as this quarter results include a) Full impact of spectrum acquired by Idea in March 2015 (investment of Rs. 301.4 billion) and Feb 2014 Auction (investment of Rs. 104.2 billion) for renewal of mobile licenses in 9 service areas expired between December 2015 to April 2016 and spectrum acquired for 3G and 4G services in multiple circles b) Additional deferment consequent to the change in terms regarding carry forward conditions of unused data entitlement in data packs has negatively impacted the quarter's revenue by Rs. 1,276 million, EBITDA by Rs. 1,101 million and EBITDA margin by 0.7%.

The slow growth trends of mobile sector continues - FY16 reported industry revenue growth of 5.4% vs. FY15 (TRAI Q4FY16 release) against earlier financial year trends of near double digit growth. Similarly, this quarter industry revenue growth estimate indicates only 4-5% annual growth. Idea revenue growth in Q1FY17 also slowed down @ 7.9% (9.4% post normalization for Data Revenue).

Since January 2016, Idea clamped down on promotional offers for its new and existing customers resulting in 'Voice realised rate' improvement this quarter by 3.1% from 33.3 paisa in Q4FY16 to 34.3 paisa in Q1FY17, on back of 4.4% sequential quarterly rate improvement in Q4 over Q3FY16. However, full benefit of Voice rate realization improvement did not reflect in revenue growth between Q1FY17 & Q4FY16 as a) New subscriber addition (on VLR) was negative by 0.7 million reaching EoP of 183.2 million customers and b) Total 'Voice minute of use' declined by 1.1% from 201.6 billion in Q4FY16 to 199.3 billion in Q1FY17.

In contrast for mobile data business which is presently in high investment & low capacity utilization phase, Idea pursued a volume growth led strategy resulting in, on sequential quarterly basis, a) Highest ever 5 million mobile data user addition helping the EoP data subscriber base to reach 49 million, b) Strong quarterly mobile data volume growth @ 13.2% to 93.1 billion MB in Q1FY17 (vs. Q4FY16 – 82.2 billion MB) but c) the overall Data realized rate (ARMB) fell by 8.1% from 22.9 paisa to 21.1 paisa per MB in Q1FY17, resulting in sequential mobile data revenue growth limited to 4.1% only.

Competitively, Idea continues to improve its Revenue Market Share (RMS), expanding it to 19.3% (Q4FY16), an increase of 1.1% compared to Q4FY15 and subscriber market share (on VLR) to 19.6% (May 2016), an improvement of 0.7% over last 1 year.

The company continued its aggressive mobile broadband expansion program. Idea remains committed to drive digital transformation in India while metamorphosing itself from a 'pure voice' network to a balanced 'mobile



voice and mobile broadband' operator, extending the life of voice business in under penetrated markets and serving the emerging new needs of digital consumers. Idea sustained its 4G network expansion momentum, added 5,296 4G sites during the quarter, reaching to 19,939 4G sites, now covering over 150 million Indian population spread across nearly 2,000 towns and 5,000 villages of 10 service areas. Additionally, with own spectrum, the company offers 3G services to 350 million Indians across 4,000 towns and 57,000 villages in 13 service areas, a clear testimony of Idea's ability to build and compete in short span of time.

As on 30th June, 2016 over 1.8 million customers are actively using Idea 4G services. Idea mobile broadband services (3G+4G) adoption is steadily improving as a) 61.4 million i.e. 34.8% of Idea's EoP base (176.2 million subscribers) have upgraded to latest 3G &/or 4G compatible smartphone (14.2 million 4G phone), nearly 20 million 3G/4G device addition over last one year, b) 27 million Idea customer base (44% of smartphone owners) are using the company's 3G or 4G data services with 10.3 million addition in last one year and c) the mobile broadband data volume (3G+4G) has grown exponentially by 85.5% from 36 billion MB in Q1FY16 to 66.9 billion MB in Q1FY17.

The overall mobile data users (2G+3G+4G) penetration is now at 27.8% of EoP subscribers reaching 49 million data subscribers with blended mobile data ARPU of Rs. 142 in Q1FY17 (vs. Rs 147 in Q1FY16) & data usage per subscriber at 674 MB (vs. 599 MB in Q1FY16). The mobile data revenue contribution is now 20.6% of 'Service Revenue' while overall 'Non Voice Revenue' (including data) contribution has increased to 28.2% (vs. 26.1% in Q1FY16)

Idea capex spend of Rs. 10.8 billion in Q1FY17 is in line with our capex guidance of Rs 65-70 billion for FY17, fully funded from cash profit of Rs 25,209 million. The company's network now spreads to nearly 2,00,000 sites (1,27,835 2G sites, 51,231 3G sites, 19,939 4G sites) and 120,700 Kms of fibre, covers nearly 1 billion Indians for GSM services over 3,94,000 towns and villages & wireless broadband services reach to 400 million Indians across 17 circles covering over 63,000 towns & villages.

The higher Network and IT operating expenses due to expansion and multiple inflationary pressures, resulted in overall operating cost increase, thereby Q1FY17 EBITDA grew @3.2% (6.9% post data revenue normalization) and stands at Rs. 30,742 million, with EBITDA margin @32.4% (normalised EBITDA margin @33.1%) against Q1FY16 EBITDA margin of 33.9%.

The increase in 'Depreciation and Amortization charge' to Rs. 19,192 million & 'Interest and Finance cost (net)' to Rs. 9,224 million, during Q1FY17 reflects additional charges on account of a) renewal of 9 existing expired license & linked spectrum & acquisition of new spectrum b) Launch of 4G services in 10 circles, c) Introduction of 3G 2nd



carrier on 900 MHz in Maharashtra & MP, d) Launch of 3G services in Kolkata metro during FY16. Therefore, inspite EBITDA growth, Idea standalone 'Profit after tax' (PAT) for Q1FY17 stands at Rs. 1,348 million (excl. Indus dividend of Rs. 3,623 million) against Rs. 7,778 million in Q1FY16.

The 'Net Debt' to 'Annualized Q1FY17 EBITDA' stands at 3.06. With adoption of Ind AS, the financial reporting of Indus (Associate) and ABIPBL (Joint Venture) will now be consolidated at PAT level only. Accordingly, the Consolidated Total Comprehensive Income (including 16% share from Indus & 49% from ABIPBL) stands at Rs. 2,171 million against Rs. 8,516 million in Q1FY16.

The company stands for reach, relevance and resilience and will always remain nimble & adaptive to evolving market conditions. Idea, the fastest growing Indian Telco for last 8 years on the power of volume led growth strategy, strong brand affinity, accelerated pan India infrastructure spread and proven execution track record, remains confident to tap all emerging opportunities in mobile voice and broadband business.

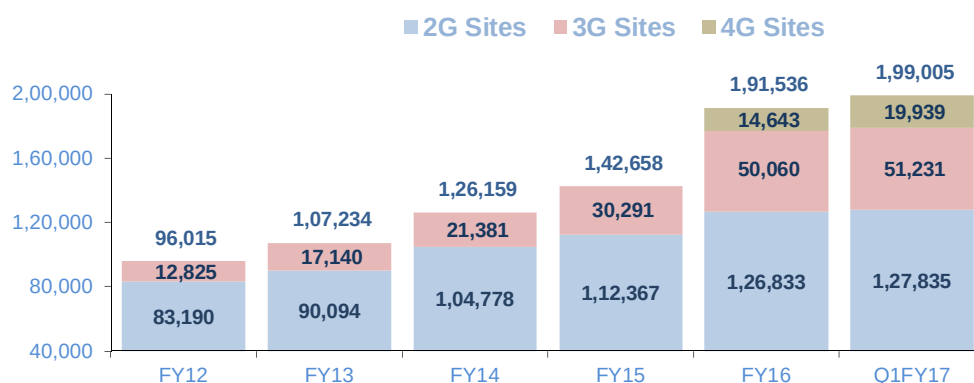
B. Balance Sheet

The net debt as on 30th June, 2016 stands at Rs 376.6 billion, including all 'Deferred Payment Obligation' for spectrum. The Net-Worth of Rs. 237.7 billion combined with Cash Profit of Rs. 25,209 million in Q1FY17 (FY16 quarterly average of ~Rs. 24,750 per quarter) provides a solid foundation to support the company's growth plans.

C. Capex

During the quarter, Idea rolled out 1,002 2G cell sites, 1,171 3G sites and 5,296 4G cell sites, a rollout of 7,469 sites. The total EoP site count stands at 199,005 – 127,835 for 2G, 51,231 for 3G and 19,939 for 4G. The total addition to the Gross Block including CWIP for the quarter was Rs. 10.8 billion (excluding forex & interest capitalisation).

The capex guidance for FY17 stands at 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 (30/06/2016)	mn	3600.80
Closing Market Price - NSE (30/06/2016)	INR/share	106.60
Combined Volume (NSE & BSE) (01/04/2016 to 30/06/2016)	mn/day	5.3
Combined Value (NSE & BSE) (01/04/2016 to 30/06/2016)	INR mn/day	578.9
Market Capitalisation (30/06/2016)	INR bn	384
EPS for the Quarter (Annualised)	INR/share	2.41
Enterprise Value (30/06/2016)	INR bn	760
Price to Earning	times	44.2
Price to Cash Earning	times	3.8
Price to Book Value	times	1.6
EV/Annualised EBITDA	times	6.2

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 June 30, 2016:

Particulars	Idea Cellular Ltd.	
Promoter and Promoter Group	No. of Shares	% holding
Indian	1,52,06,79,047	42.23%
Foreign	-	
Public Shareholding	No. of Shares	% holding
Foreign Holding	1,75,91,69,493	48.85%
Indian Institutions	22,88,23,425	6.35%
Others	9,21,31,759	2.56%
Total	3,60,08,03,724	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
ABG	Aditya Birla Group
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

Definitions/Abbreviation	Description/Full Form
	Any Subscriber with data usage of more than 15MB in last 30 days from Q3FY16 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 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.
Ind AS	Indian Accounting Standard
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.

Definitions/Abbreviation	Description/Full Form
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)
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
Service Area	Unless otherwise specifically mentioned, means telecom service areas in India as defined by the DoT.