

ADITYA BIRLA



IDEA Cellular

1/13

January 21, 2016

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

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Email: cm1ist@nse.co.in

Email: corp.relations@bseindia.com

Dear Sirs,

Sub: Un-audited Financial Results for the Quarter Ended 31st December, 2015 - Regulation 33 of SEBI (LODR) Regulations, 2015

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

In continuation of our letter dated January 12, 2016 and pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Un-audited Financial Results (Standalone and Consolidated) of the Company for the third quarter and nine months ended 31st December, 2015, together with the Limited Review Report of the Statutory Auditors' thereon.

The aforesaid results have been approved by the Board of Directors of the Company at their meeting held today, which commenced on 2:00 P.M. and concluded at 3:45 P.M.

A copy of Press Release issued in this regard is also attached herewith.

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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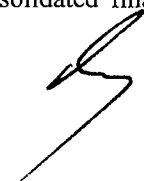
Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th - 32nd Floor
Senapati Bapat Marg
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Maharashtra, India

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INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF IDEA CELLULAR LIMITED

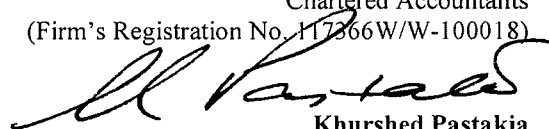
1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **IDEA CELLULAR LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity for the Quarter and Nine Months ended 31st December 2015 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:
 - a. Idea Cellular Limited (ICL) (Holding Company)
 - b. Idea Cellular Services Limited (100% subsidiary of ICL)
 - c. Idea Cellular Infrastructure Services Limited (100% subsidiary of ICL)
 - d. Aditya Birla Telecom Limited (ABTL) (100% subsidiary of ICL)
 - e. Idea Telesystems Limited (100% subsidiary of ICL)
 - f. Idea Mobile Commerce Services Limited (100% subsidiary of ICL)
 - g. Indus Towers Limited (Jointly controlled entity of ABTL)
4. We did not review the interim financial statements of Indus Tower Limited jointly controlled entity included in the consolidated financial results, whose interim financial statements reflect



Group's share of revenues of Rs. 64,499 lakhs and Rs. 189,694 lakhs for the Quarter and Nine Months ended 31st December 2015, respectively, and Group's share of profit after tax of Rs. 10,285 lakhs and Rs. 29,269 lakhs for the Quarter and Nine Months ended 31st December 2015, respectively, as considered in the consolidated financial results. These interim financial statements / information / results have been audited by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity is based solely on the report of the other auditor.

5. Based on our review conducted as stated above and based on the consideration of the report of the other auditor referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 3 of the Statement which describes the uncertainties related to the legal outcome in respect of the Department of Telecommunication (DoT) demand notices for one time spectrum charges. Our conclusion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

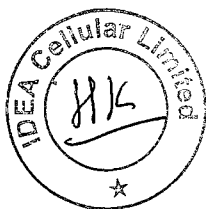


Khurshed Pastakia
Partner
(Membership No. 31544)

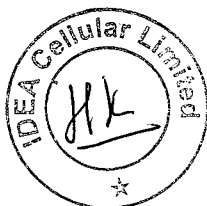
MUMBAI: 21st January 2016

4/13

 IDEA CELLULAR LIMITED Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976 Unaudited Consolidated Financial Results for the quarter and nine months ended 31-December-2015						
Part I (₹ Lacs, except per share data)						
Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-15 Unaudited	30-Sep-15 Unaudited	31-Dec-14 Unaudited	31-Dec-15 Unaudited	31-Dec-14 Unaudited	31-Mar-15 Audited
Net Sales / Income from Operations	900,143	867,658	800,919	2,647,272	2,312,965	3,152,687
Other Operating Income	826	1,248	828	2,438	1,873	4,402
TOTAL REVENUE	900,969	868,906	801,747	2,649,710	2,314,838	3,157,089
Cost of Trading Goods	406	514	4,119	1,782	12,145	14,517
Personnel Expenditure	41,137	42,780	37,899	122,928	114,388	152,987
Network Expense & IT Outsourcing Cost	209,536	199,811	179,803	608,311	540,416	719,569
License Fees and Spectrum Usage Charges	103,484	99,472	90,339	305,130	258,528	353,515
Roaming & Access Charges	119,031	114,203	120,427	348,370	349,281	473,132
Subscriber Acquisition & Servicing Expenditure & Advertisement and Business Promotion Expenditure	91,196	82,409	73,771	252,465	207,076	287,827
Depreciation & Amortisation	162,312	153,806	148,264	467,708	381,591	530,362
Other Expenditure	23,327	24,014	20,125	69,331	58,287	74,375
TOTAL EXPENDITURE	750,429	717,009	674,747	2,176,025	1,921,712	2,606,284
PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE CHARGES AND TAX	150,540	151,897	127,000	473,685	393,126	550,805
Other Income	3,079	3,366	13,262	18,688	28,327	46,967
PROFIT BEFORE FINANCE CHARGES AND TAX	153,619	155,263	140,262	492,373	421,453	597,772
Finance Charges	36,568	30,628	23,093	107,359	75,354	104,519
PROFIT BEFORE TAX	117,051	124,635	117,169	385,014	346,099	493,253
Provision for Taxation (Net of MAT credit)	40,630	43,709	40,463	134,584	120,985	173,962
NET PROFIT AFTER TAX	76,421	80,926	76,706	250,430	225,114	319,291
Paid up Equity Share Capital (Face value ₹ 10 per share)	360,036	359,961	359,748	360,036	359,748	359,784
Reserves excluding Revaluation Reserve						1,942,947
Earnings Per Share for the period (₹)						
- Basic	2.12	2.25	2.13	6.96	6.40	9.03
- Diluted	2.12	2.24	2.12	6.93	6.37	8.99



 IDEA CELLULAR LIMITED Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976 Unaudited Consolidated Financial Results for the quarter and nine months ended 31-December-2015						
Segmental Reporting						
Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-15 Unaudited	30-Sep-15 Unaudited	31-Dec-14 Unaudited	31-Dec-15 Unaudited	31-Dec-14 Unaudited	31-Mar-15 Audited
Segment Revenue						
Net Sales / Income from each segment						
Mobility	885,900	850,872	792,283	2,602,807	2,283,168	3,113,116
International Long Distance	20,976	23,299	13,416	63,175	43,464	58,099
Passive Infrastructure	70,706	69,243	66,286	208,434	195,250	263,268
Total	977,582	943,414	871,985	2,874,416	2,521,882	3,434,483
Less: Inter Segment Eliminations	(77,439)	(75,756)	(71,066)	(227,144)	(208,917)	(281,796)
Net Sales / Income from Operations	900,143	867,658	800,919	2,647,272	2,312,965	3,152,687
Segment Results						
Profit from Operations before Other Income, Finance Charges and Tax from each segment						
Mobility	130,147	128,313	108,463	410,515	337,820	475,117
International Long Distance	1,098	4,337	1,262	6,539	6,765	7,508
Passive Infrastructure	19,295	19,247	17,275	56,631	48,541	68,180
Profit from Operations before Other Income, Finance Charges and Tax	150,540	151,897	127,000	473,685	393,126	550,805
Add: Unallocable Income	3,079	3,366	13,262	18,688	28,327	46,967
Less: Finance Charges	36,568	30,628	23,093	107,359	75,354	104,519
Profit before Tax	117,051	124,635	117,169	385,014	346,099	493,253
Capital Employed						
(Segment Assets - Segment Liabilities)						
Mobility	6,123,361	4,498,860	3,098,955	6,123,361	3,098,955	3,379,785
International Long Distance	1,003	2,768	2,775	1,003	2,775	2,200
Passive Infrastructure	324,348	324,828	333,017	324,348	333,017	335,806
Unallocated	304,845	342,763	810,365	304,845	810,365	1,461,194
Total	6,753,557	5,169,219	4,245,112	6,753,557	4,245,112	5,178,985



Notes

1. The above unaudited consolidated financial results, as reviewed by the Audit Committee of the Board, were approved and taken on record by the Board of Directors at their meeting held on 21st January 2016. Limited Review, as required under Regulation 33 of SEBI (LODR) Regulations, 2015, has been carried out by the Statutory Auditors.
2. The consolidated financial results have been prepared in accordance with Accounting Standard – 21 on "Consolidated Financial Statements" and Accounting Standard – 27 on "Financial Reporting of Interests in Joint Ventures". Financial results of the following subsidiaries viz. Idea Cellular Services Limited, Idea Cellular Infrastructure Services Limited, Idea Telesystems Limited, Idea Mobile Commerce Services Limited and Aditya Birla Telecom Limited (ABTL) & its Joint Venture Indus Towers Limited, have been consolidated.
3. On 8th January 2013, Department of Telecommunications (DoT) issued demand notices towards one time spectrum charges:
 - for spectrum beyond 6.2 Mhz in respective service areas for retrospective period from 1st July 2008 to 31st December 2012, amounting to ₹ 36,913 Lacs, and
 - for spectrum beyond 4.4 Mhz in respective service areas effective 1st January 2013 till expiry of the period as per respective licenses, amounting to ₹ 174,437 Lacs.

In the opinion of Company, *inter-alia*, the above demands amount to alteration of financial terms of the licenses issued in the past. The Company had therefore, petitioned the Hon'ble High Court of Bombay, where the matter was admitted and is currently sub-judice. The Hon'ble High Court of Bombay has directed the DoT, not to take any coercive action until the matter is further heard. No effects have been given in the consolidated financial results for the above.

4. During the quarter, the Company has put to use the allotted spectrum won in the March 15 auctions vis-à-vis the earlier administered spectrum relating to the seven service areas of Maharashtra, Gujarat, Madhya Pradesh, Andhra Pradesh, Kerala, Haryana and Uttar Pradesh (West) following the expiry of the initial 20 year period of CMTS licenses bundled with spectrum. The company has now obtained additional authorisation for access services under its existing Unified License, which enables the use of spectrum won in auctions. The company has also launched its 3G services in the Kolkata service area and 4G LTE services in the four service areas of Kerala, Karnataka, Andhra Pradesh and Tamilnadu during the quarter.
5. Unaudited financial results of Idea Cellular Limited (Standalone) :-

₹ Lacs

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-15 Unaudited	30-Sep-15 Unaudited	31-Dec-14 Unaudited	31-Dec-15 Unaudited	31-Dec-14 Unaudited	31-Mar-15 Audited
Total Revenues	897,445	864,453	794,282	2,637,782	2,292,165	3,127,947
Profit before Tax	98,480	107,358	101,963	332,438	303,993	433,908
Net Profit after Tax	64,265	69,620	66,544	216,008	197,258	280,984

6. Previous periods' figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of
IDEA CELLULAR LIMITED

Date : 21st January 2016
Place : Mumbai

Himanshu Kapania
Himanshu Kapania
Managing Director



Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th - 32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

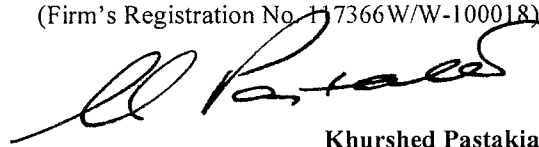
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF IDEA CELLULAR LIMITED

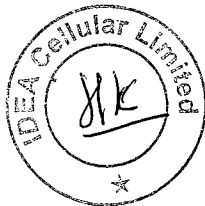
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **IDEA CELLULAR LIMITED** ("the Company") for the Quarter and Nine Months ended 31st December 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to Note 2 of the Statement which describes the uncertainties related to the legal outcome in respect of the Department of Telecommunication (DoT) demand notices for one time spectrum charges. Our conclusion is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

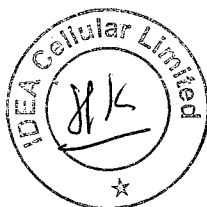

Khurshed Pastakia
Partner
(Membership No. 31544)

MUMBAI: 21st January 2016

 IDEA CELLULAR LIMITED Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976 Unaudited Financial Results for the quarter and nine months ended 31-December-2015						
Part I (₹ Lacs, except per share data)						
Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-15 Unaudited	30-Sep-15 Unaudited	31-Dec-14 Unaudited	31-Dec-15 Unaudited	31-Dec-14 Unaudited	31-Mar-15 Audited
Net Sales / Income from Operations	896,717	864,128	793,735	2,636,561	2,291,323	3,125,207
Other Operating Income	728	325	547	1,221	842	2,740
TOTAL REVENUE	897,445	864,453	794,282	2,637,782	2,292,165	3,127,947
Personnel Expenditure	36,302	37,977	33,696	108,819	101,681	135,873
Network Expenses & IT Outsourcing Cost	239,604	229,317	207,623	696,408	619,815	828,866
License Fees and Spectrum Usage Charges	103,484	99,472	90,339	305,130	258,528	353,515
Roaming & Access Charges	119,031	114,203	120,427	348,370	349,281	473,132
Subscriber Acquisition & Servicing Expenditure & Advertisement and Business Promotion Expenditure	94,515	85,874	76,687	262,673	216,115	299,674
Depreciation & Amortisation	151,240	142,436	136,978	434,131	348,694	485,501
Other Expenditure	21,566	22,350	18,963	64,465	54,474	69,546
TOTAL EXPENDITURE	765,742	731,629	684,713	2,219,996	1,948,588	2,646,107
PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE CHARGES AND TAX	131,703	132,824	109,569	417,786	343,577	481,840
Other Income	1,428	2,981	12,799	15,386	26,890	45,234
PROFIT BEFORE FINANCE CHARGES AND TAX	133,131	135,805	122,368	433,172	370,467	527,074
Finance Charges	34,651	28,447	20,405	100,734	66,474	93,166
PROFIT BEFORE TAX	98,480	107,358	101,963	332,438	303,993	433,908
Provision for Taxation (Net of MAT credit)	34,215	37,738	35,419	116,430	106,735	152,924
NET PROFIT AFTER TAX	64,265	69,620	66,544	216,008	197,258	280,984
Paid up Equity Share Capital (Face value ₹ 10 per share)	360,036	359,961	359,748	360,036	359,748	359,784
Reserves excluding Revaluation Reserve						1,829,230
Earnings Per Share for the period (₹)						
- Basic	1.79	1.93	1.85	6.00	5.61	7.94
- Diluted	1.78	1.93	1.84	5.98	5.58	7.91



IDEA CELLULAR LIMITED						
Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976						
Unaudited Financial Results for the quarter and nine months ended 31-December-2015						
						
Segmental Reporting ₹ Lacs						
Particulars	Quarter ended			Nine Month ended		Year ended
	31-Dec-15	30-Sep-15	31-Dec-14	31-Dec-15	31-Dec-14	31-Mar-15
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue						
Net Sales / Income from each segment						
Mobility	885,297	850,098	787,524	2,600,399	2,268,744	3,095,930
International Long Distance	20,976	23,299	13,416	63,175	43,464	58,099
Total	906,273	873,397	800,940	2,663,574	2,312,208	3,154,029
Less: Inter Segment Eliminations	(9,556)	(9,269)	(7,205)	(27,013)	(20,885)	(28,822)
Net sales / Income from operations	896,717	864,128	793,735	2,636,561	2,291,323	3,125,207
Segment Results						
Profit from Operations before Other Income, Finance Charges and Tax from each segment						
Mobility	130,605	128,487	108,307	411,247	336,812	474,332
International Long Distance	1,098	4,337	1,262	6,539	6,765	7,508
Profit from Operations before Other Income, Finance Charges and Tax	131,703	132,824	109,569	417,786	343,577	481,840
Add: Unallocable Income	1,428	2,981	12,799	15,386	26,890	45,234
Less: Finance Charges	34,651	28,447	20,405	100,734	66,474	93,166
Profit before tax	98,480	107,358	101,963	332,438	303,993	433,908
Capital Employed (Segment assets - Segment liabilities)						
Mobility	6,125,356	4,500,401	3,098,799	6,125,356	3,098,799	3,379,045
International Long Distance	1,003	2,768	2,775	1,003	2,775	2,200
Unallocated	375,099	422,600	900,608	375,099	900,608	1,556,219
Total	6,501,458	4,925,769	4,002,182	6,501,458	4,002,182	4,937,464



Notes

1. The above unaudited financial results, as reviewed by the Audit Committee of the Board, were approved and taken on record by the Board of Directors at their meeting held on 21st January 2016. Limited Review, as required under Regulation 33 of SEBI (LODR) Regulations, 2015, has been carried out by the Statutory Auditors.
2. On 8th January 2013, Department of Telecommunications (DoT) issued demand notices towards one time spectrum charges:
 - for spectrum beyond 6.2 Mhz in respective service areas for retrospective period from 1st July 2008 to 31st December 2012, amounting to ₹ 36,913 Lacs, and
 - for spectrum beyond 4.4 Mhz in respective service areas effective 1st January 2013 till expiry of the period as per respective licenses, amounting to ₹ 174,437 Lacs.

In the opinion of Company, *inter-alia*, the above demands amount to alteration of financial terms of the licenses issued in the past. The Company had therefore, petitioned the Hon'ble High Court of Bombay, where the matter was admitted and is currently sub-judice. The Hon'ble High Court of Bombay has directed the DoT, not to take any coercive action until the matter is further heard. No effects have been given in the financial results for the above.

3. During the quarter, the Company has put to use the allotted spectrum won in the March 15 auctions vis-à-vis the earlier administered spectrum relating to the seven service areas of Maharashtra, Gujarat, Madhya Pradesh, Andhra Pradesh, Kerala, Haryana and Uttar Pradesh (West) following the expiry of the initial 20 year period of CMTS licenses bundled with spectrum. The company has now obtained additional authorisation for access services under its existing Unified License, which enables the use of spectrum won in auctions. The company has also launched its 3G services in the Kolkata service area and 4G LTE services in the four service areas of Kerala, Karnataka, Andhra Pradesh and Tamilnadu during the quarter.
4. Previous periods' figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of
IDEA CELLULAR LIMITED

Himanshu Kapania
Himanshu Kapania
Managing Director

Date : 21st January 2016
Place : Mumbai





Media Release

Mumbai –January 21, 2016

Idea Cellular announces un-audited results for the Third Quarter (Q3) and Nine Months ended December 31, 2015

Highlights – Q3 FY16

- Idea – Standalone¹ – Revenue Rs. 90,089mn, EBITDA Rs. 28,513mn, PAT Rs. 6,614mn
- Idea – Consolidated² – Revenue Rs. 90,097mn, EBITDA Rs. 31,285mn, PAT Rs. 7,642mn

	INR million							
	Idea Standalone ¹				Idea Consolidated ²			
	Q3FY16	Q2FY16	YTD Q3FY16	YTD Q3FY15	Q3FY16	Q2FY16	YTD Q3FY16	YTD Q3FY15
Revenue - Established Service Areas ³	84,063	81,045	2,47,625	2,18,526				
Revenue - New Service Areas ⁴	6,026	5,754	17,228	12,857				
Total Revenue	90,089	86,799	2,64,853	2,31,383	90,097	86,891	2,64,971	2,31,484
EBITDA - Established Service Areas ³	30,295	29,548	91,153	75,258				
EBITDA - New Service Area ⁴	(1,782)	(1,775)	(5,254)	(5,407)				
Total EBITDA	28,513	27,773	85,899	69,851	31,285	30,570	94,139	77,473
EBITDA% - Established Service Areas ³	36.0%	36.5%	36.8%	34.4%				
EBITDA% - New Service Areas ⁴	-29.6%	-30.9%	-30.5%	-42.1%				
Total EBITDA%	31.6%	32.0%	32.4%	30.2%	34.7%	35.2%	35.5%	33.5%
Depreciation & Amortisation	15,206	14,327	43,660	35,152	16,231	15,381	46,771	38,159
EBIT	13,307	13,446	42,239	34,699	15,054	15,190	47,369	39,314
Interest and Financing Cost (Net)	3,175	2,516	8,251	3,901	3,349	2,726	8,867	4,703
Dividend from Indus			-	4,648				
PBT	10,132	10,930	33,988	35,446	11,705	12,464	38,501	34,611
PAT	6,614	7,102	22,116	24,695	7,642	8,093	25,043	22,512
Cash Profit ⁵	23,493	25,318	74,342	58,671	25,512	27,360	80,309	59,560

Consumer preference for brand Idea continues to rise as company added 29.7 million incremental subscribers (on VLR) in the calendar year 2015, now serving 182 million quality customers, providing Idea a unique platform for future growth in Mobile Voice, Wireless Broadband, Digital Content and Mobile banking services etc. The company's subscriber market share (on VLR) has raced past 19.1% (October 2015 TRAI Report) and Revenue Market Share at 18.5% for Q2FY16; an improvement of 1.2% share (VLR & RMS) over the last one year.

In contrast to higher subscriber market size, estimated Industry revenue growth in the first nine months of FY16 vs FY15 is trending to as low as 5.5% - 6.5% against 10.9% growth in the same period previous year. This lower revenue growth is primarily due to fall in Voice Realised rate led by reduction in TRAI regulated Mobile incoming IUC charge settlement rate from earlier 20p to 14p/min effective from March 01, 2015, lowering of cap for national roaming call & SMS charges effective from May 01, 2015, and intense pressure on Mobile data realised rate, as wireless broadband consumer demand growth is slower than increased supply from operators launching/expanding 3G/4G footprints.

In comparison, Idea's long term business trends remain robust as standalone revenue for the quarter has grown by 12.4% (16.4% post normalization of IUC settlement change) to Rs. 90,089 million against Rs. 80,148 million in Q3FY15. The factors driving revenue growth were volume led including YoY expansion of a) Voice Minutes @ 16.7% to 199.2 billion



12/13

minutes and b) Mobile Data (2G+3G+4G) @ 75.8% to 81.0 billion MB, in Q3FY16. However, YoY decline in Voice Realised Rate @ 10.6% (Including IUC impact) and Mobile Data Realised rate @17.2%, depressed overall gross revenue growth.

During calendar year 2015, Idea supported its consumer centricity vision by integrating highest ever 32,385 (2G+3G+4G) cell sites, expanding Idea 2G services population coverage to nearly 974 million Indians and wireless broadband 3G and 4G services footprint to cover 340 million Indian population, while its fibre network expanded beyond 105,000 KMs, helping the company to gear itself for next wave of mobile internet revolution. The capex spend in Q3FY16 of Rs. 23,135 million was financed by Cash Profit of Rs. 23,493 million for the quarter.

The standalone quarterly EBITDA of Rs. 28,513 million grew annually by 14.7% (Rs. 24,860 million in Q3FY15) at 31.6% margin, an improvement of 0.6% over Q3FY15.

During December 2015, the expired 900 MHz spectrum (1995-2015 licenses) for 7 established service areas was replaced with New 900 MHz liberalised spectrum won in March 2015 spectrum auction (spectrum in remaining two service areas of Karnataka and Punjab would be replaced with new 900 MHz liberalised spectrum in April 2016). In the month of December Idea launched its own 3G services in the 13th circle of Kolkata metro service area, extending own 3G spectrum coverage to 79% of Idea revenue base. Also, in the same month, company launched its 4G services in four south Indian telecom service areas. Consequently, the 'Depreciation & Amortisation' charge of Rs. 15,206 million and 'Interest & Finance Cost (net)' of Rs. 3,175 million include additional charges related to above new spectrum from date of shift/launch.

Idea standalone 'Profit after Tax' stands at Rs. 6,614 million against Rs. 6,783 million in Q3FY15. The Net Debt now at Rs. 376.9 billion, includes almost all Deferred Payment Liability from past spectrum auctions, including March 2015 auction. The Net Debt to annualised Q3FY16 EBITDA stands at 3.30.

The Net mobile data customer base (2G+3G+4G) has remained flat at 41.4 million (41.3 million in Q2FY16) as company tightened its Data Subscriber reporting. The higher Mobile data usage per data customer @ 653 MB (470 MB in Q3FY15) helped improve blended mobile data ARPU to Rs. 145 in Q3FY16 (vs Rs. 126 in Q3FY15). The Non Voice Revenue contribution improved to 28.1% this quarter against 23.1% a year earlier.

Over the last one year, the 3G data subscriber base for the company has increased by 8.2 million to 21.2 million in Q3FY16, still at a low penetration of 12.3% on EoP subscribers, while in comparison 55.5 million (annual increase of 27.3 million) of Idea's strong 172 million subscriber base has upgraded their phones to 3G/4G smartphone/devices. The Data ARPU of a 3G Data customer is at a healthy level of Rs. 196 during Q3FY16, in addition to customer spend on Voice and Non data VAS.

On December 23, 2015 Company announced the next important historic step in Idea's telecom journey with launch of its High Speed 4G network across four south Indian service areas of Andhra Pradesh (incl. Telangana), Karnataka, Kerala and Tamil Nadu. Idea, further, on January 14, 2016 has extended its 4G services to telecom circles of Madhya Pradesh & Chhattisgarh, Punjab and Haryana, now covering 183 towns across 7 circles for high speed LTE services. Idea currently holds 1800 MHz 4G spectrum in 10 telecom circles which covers 50% of Indian telecom market but over 60% of Idea's Revenue. The company is poised to launch its 4G services in remaining 3 telecom service areas of Maharashtra & Goa,



13/13

Orissa and North East by March 2016 and plans to extend 4G footprint to over 750 Towns by June 2016. Idea's own 3G and /or 4G wireless broadband spectrum covers 87% of its revenue base.

Additionally, Idea has recently signed an agreement with Videocon Telecommunications Limited for transfer of 'Right to Use' 1800 MHz spectrum in two of Idea's key telecom leadership markets of Gujarat and Uttar Pradesh (West). Post completion of this transaction, Idea 4G services will be extended to 12 service areas covering 75% of Idea's revenue base. To augment the usage of mobile data services, the company has recently announced launch of Idea Digital Content Services with attractive subscription plans in partnership with leading content providers including latest and wide range of content for Music, Movies and Gaming etc.

At consolidated level including 16% of Indus contribution, Idea gross revenue in Q3FY16 has grown by 12.4% YoY to Rs. 90,097 million, the EBITDA at Rs. 31,285 million grew by 13.7%, EBITDA margin improved by 0.4% to 34.7% and this quarter PAT stands at Rs. 7,642 million.

The growing consumer demand and brand affinity, accelerated wireless infrastructure expansion and strong cash flows of company reaffirms Idea's ability to remain on course of its slated mission of consistent, competitive, responsible and profitable growth. The brand with its enviable track record of the fastest growing telecom service provider for last 8 years is fully capable to meet all volatile, uncertain, complex and ambiguous developments, as it strengthens its market standing both in Mobile Voice and Data Market.

Notes:

1. Idea Standalone represents Idea, and its 100% subsidiaries. Effectively, this encompasses all operations, excluding the Joint Venture i.e. Indus.
2. Idea Consolidated represents Idea Standalone and proportionate consolidation of Indus (@16%).
3. 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, Mumbai and Bihar service areas.
4. New Service Areas represent 7 service areas of Orissa, Tamil Nadu, J&K, Kolkata, West Bengal, Assam and North East.
5. Cash Profit is calculated as summation of PAT, Depreciation & Amortisation, charge on account of ESOPs and Deferred tax, for relevant period.
6. Figures for past periods have been regrouped, wherever necessary.

About Idea Cellular Ltd.

Idea Cellular is the third largest wireless operator in India with a Revenue Market Share of 18.5% (Q2FY16). Idea is listed on the National Stock Exchange (NSE), and the Bombay Stock Exchange (BSE) in India. 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, cement, carbon black, textiles, garments, chemicals, fertilizers, life insurance and financial services industries.

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