ADITYA BIRLA

IDEA Cellular

**October 25, 2010**

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

Fax No. 022-26598237/38/8347/8348

Dear Sirs,

**Sub: Publication of Un-audited Results for the second quarter and half year ended 30th September 2010 (Clause 41)**

**Ref: "Idea Cellular Limited" (Symbol: IDEA)**

Pursuant to Clause 41 of the Listing Agreement, please find attached herewith Un-audited Financial Results of the Company for the second quarter and half year ended 30th September 2010 together with the Limited Review Report of the Statutory Auditors thereon.

The aforesaid results have been taken on record by the Board of Directors of the Company at their meeting concluded just now.

Kindly acknowledge the receipt.

Thanking you,

Yours truly,

For **Idea Cellular Limited**

**Pankaj Kapdeo**
**Company Secretary**

Encl: As above

Idea

Idea Cellular Ltd,
5th Floor "Windsor", Off C.S.T. Road, Kalina,
Santacruz (East), Mumbai 400 098, India

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Website www.ideacellular.com
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# Deloitte Haskins & Sells

Chartered Accountants
706, 'B' Wing, 7th Floor
ICC Trade Tower
International Convention Centre
Senapati Bapat Road
Pune - 411 016
Maharashtra, India

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## LIMITED REVIEW REPORT

The Board of Directors,
Idea Cellular Limited

1. We have reviewed the financial results for the quarter and six months ended September 30, 2010, which are incorporated in the accompanying Statement of "Unaudited Financial Results for the Quarter ended 30-September-2010" (the Statement) of **Idea Cellular Limited** ("the Company"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review 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 financial results are free of material misstatement.

3. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly we do not express an opinion.

4. We have traced the figures of the Assets and Liabilities as at September 30, 2009 mentioned in Note 3 to the Statement from the unaudited financial statements for the six months ended September 30, 2009 without reviewing them.

5. Based on our review, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Further, we also report that we have traced the number of shares as well as the percentage of shareholdings in respect of the aggregate amount of public shareholdings and the number of shares as well as the percentage of shares pledged/encumbered in respect of the aggregate amount of promoter and promoter group in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to the undisputed investor complaints from the details furnished by the Management / Registrars.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117 366W)

Hemant M Joshi
Partner
Membership No:38019
Mumbai: October 25, 2010

**IDEA CELLULAR LIMITED**

**Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011**

**Unaudited Financial Results for the Quarter ended 30-September-2010**

(₹ Lacs, except per share data)

| Particulars | Quarter ended | | Six months ended | | Year Ended |
|---|---|---|---|---|---|
| | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 31-Mar-10 Audited |
| Net Sales / Income from Operations | 361,217 | 282,121 | 723,858 | 565,132 | 1,185,024 |
| Other Operating Income | 1,675 | 489 | 1,995 | 580 | 4,553 |
| **TOTAL REVENUE** | **362,892** | **282,610** | **725,853** | **565,712** | **1,189,577** |
| Increase / (Decrease) in stock in trade * | - | - | - | - | - |
| Consumption of raw material * | - | - | - | - | - |
| Cost of Trading Goods | - | 1 | - | 3 | 3 |
| Personnel Expenditure | 19,584 | 14,747 | 35,053 | 27,449 | 56,989 |
| Network Operating Expenditure | 117,665 | 82,177 | 233,369 | 164,131 | 343,942 |
| Licence & WPC charges | 41,775 | 31,832 | 84,197 | 64,123 | 129,448 |
| Roaming & Access Charges | 58,248 | 40,685 | 115,860 | 81,491 | 174,529 |
| Subscriber Acquisition & Servicing Expenditure & Advertisement and Business Promotion Expenditure | 41,588 | 34,229 | 84,887 | 66,668 | 154,107 |
| Depreciation & Amortisation | 47,646 | 37,013 | 94,149 | 72,067 | 155,120 |
| Other Expenditure | 12,881 | 10,685 | 26,567 | 21,427 | 44,565 |
| **TOTAL EXPENDITURE** | **339,387** | **251,369** | **674,082** | **497,359** | **1,058,703** |
| **PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE CHARGES AND TAX** | **23,505** | **31,241** | **51,771** | **68,353** | **130,874** |
| Other Income | - | 3,169 | - | 3,169 | 6,631 |
| **PROFIT BEFORE FINANCE CHARGES AND TAX** | **23,505** | **34,410** | **51,771** | **71,522** | **137,505** |
| Finance and Treasury Charges (Net) | 6,648 | 4,820 | 14,294 | 8,263 | 20,632 |
| **PROFIT BEFORE TAX** | **16,857** | **29,590** | **37,477** | **63,259** | **116,873** |
| Provision for Taxation (Net of MAT credit) | 259 | 3,601 | 716 | 5,157 | 11,507 |
| **NET PROFIT AFTER TAX** | **16,598** | **25,989** | **36,761** | **58,102** | **105,366** |
| Paid up Equity Share Capital ( Face value Rs. 10 per share ) | 330,098 | 310,010 | 330,098 | 310,010 | 329,984 |
| Reserves excluding Revaluation Reserve | | | | | 811,295 |
| **EPS for the period ( Rupees)** | | | | | |
| - Basic | 0.50 | 0.84 | 1.11 | 1.87 | 3.39 |
| - Diluted | 0.50 | 0.84 | 1.11 | 1.87 | 3.38 |
| Public Shareholding | | | | | |
| - Number of Shares | | | 1,750,527,891 | 1,579,634,854 | 1,749,382,404 |
| - Percentage of Shareholdings | | | 53.03% | 50.95% | 53.01% |
| Promoters and promoter group shareholding | | | | | |
| a) Pledged/Encumbered | | | | | |
| - No. of shares | | | - | - | - |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | | | 0.00% | 0.00% | 0.00% |
| - Percentage of shares (as a % of the total share capital of the Company) | | | 0.00% | 0.00% | 0.00% |
| b) Non-encumbered | | | | | |
| - No. of shares | | | 1,550,455,388 | 1,520,445,714 | 1,550,455,388 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | | | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the Company) | | | 46.97% | 49.05% | 46.99% |

* These items are not applicable

DELOITTE HASKINS & SELLS * Chartered Accountants *

IDEA Cellular Limited

IDEA CELLULAR LIMITED

Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011

Unaudited Financial Results for the Quarter ended 30-September-2010

**Segmental Reporting** (₹ Lacs)

| Particulars | Quarter ended | | Six months ended | | Year Ended |
|---|---|---|---|---|---|
| | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 31-Mar-10 Audited |
| **Segment Revenue** | | | | | |
| Net Sales / Income from each segment | | | | | |
| Mobility | 362,651 | 282,633 | 727,139 | 566,413 | 1,186,701 |
| Long distance | 47,653 | 25,331 | 91,686 | 46,888 | 121,487 |
| **Total** | 410,304 | 307,964 | 818,825 | 613,301 | 1,308,188 |
| Less: Inter Segment Eliminations | (49,087) | (25,843) | (94,967) | (48,169) | (123,164) |
| **Net sales / Income from operations** | 361,217 | 282,121 | 723,858 | 565,132 | 1,186,024 |
| **Segment Results** | | | | | |
| Profit / (Loss) before Finance Charges and Tax from each segment | | | | | |
| Mobility | 2,104 | 24,489 | 11,603 | 54,279 | 82,723 |
| Long distance | 21,401 | 9,921 | 40,168 | 17,243 | 51,320 |
| **Profit before Finance Charges and Tax** | 23,505 | 34,410 | 51,771 | 71,522 | 134,043 |
| Add: Unallocable Income | | | | | 3,462 |
| Less: Finance & Treasury Charges (Net) | 6,648 | 4,820 | 14,294 | 8,263 | 20,632 |
| **Profit before tax** | 16,857 | 29,590 | 37,477 | 63,259 | 116,873 |
| **Capital Employed** | | | | | |
| (Segment assets - Segment liabilities) | | | | | |
| Mobility | | | 1,703,891 | 1,137,806 | 1,254,891 |
| Long distance | | | 112,085 | 37,717 | 71,906 |
| Unallocated | | | 366,492 | 828,169 | 494,131 |
| **Total** | - | - | 2,182,468 | 2,003,692 | 1,820,928 |

DELOITTE HASKINS & SELLS * Chartered Accountants *

IDEA Cellular Limited

**Notes**

1. The above unaudited financial results, as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors at their meeting held on 25th October, 2010. Limited Review, as required under Clause 41 of Listing Agreement, has been carried out by the Statutory Auditors.

2. The Company has received 3G spectrum allotment letters in respect of ten service areas during the quarter.

3. Statement of Assets and Liabilities :-

₹ Lacs

| Particulars | As at 30-Sep-10 Unaudited | As at 30-Sep-09 Unaudited |
|---|---|---|
| SHAREHOLDERS FUND: | | |
| (a) Share Capital | 330,098 | 310,010 |
| (b) Reserves and Surplus | 851,667 | 1,082,657 |
| (c) Outstanding ESOP's | 4,896 | 2,241 |
| LOAN FUNDS | 975,408 | 590,854 |
| Deferred Tax Liability (Net) | 23,275 | 17,930 |
| **TOTAL** | 2,185,344 | 2,003,692 |
| FIXED ASSETS | 2,113,769 | 1,400,843 |
| INVESTMENTS | 203,605 | 557,118 |
| CURRENT ASSETS, LOANS AND ADVANCES | | |
| (a) Inventories | 4,044 | 4,213 |
| (b) Sundry Debtors | 51,300 | 38,366 |
| (c) Cash and Bank balances | 9,921 | 58,209 |
| (d) Other Current Assets | 9,499 | 12,789 |
| (e) Loans and Advances | 259,114 | 327,428 |
| Less: Current Liabilities and Provisions | | |
| (a) Current Liabilities | 456,412 | 382,639 |
| (b) Provisions | 12,372 | 12,635 |
| PROFIT AND LOSS ACCOUNT | 2,876 | - |
| **TOTAL** | 2,185,344 | 2,003,692 |

4. The status of investors' complaints is as under:
Opening – 0, Received – 59, Resolved – 59, Closing – 0

5. Results for the corresponding periods have been restated to include the effects of the scheme of Arrangement for merger into the Company, of the de-merged telecom operations including Unified Access Services License of Bihar (including Jharkhand) Service area of Aditya Birla Telecom Limited (ABTL), a wholly owned subsidiary along with certain assets and liabilities without any consideration, with an appointed date of 1st April 2009, which became effective in March 2010.

6. Figures for the current period are not comparable with that of the corresponding period due to the merger of Spice Communications Limited effective 1st March 2010.

7. Previous period's figures have been regrouped and rearranged wherever necessary.

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

**Sanjeev Aga**
**Managing Director**

**Date: 25th October 2010**
**Place: Mumbai**

DELOITTE HASKINS & SELLS * Chartered Accountants *

IDEA Cellular Limited

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# Deloitte Haskins & Sells

Chartered Accountants
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## LIMITED REVIEW REPORT ON CONSOLIDATED FINANCIAL RESULTS

The Board of Directors,
Idea Cellular Limited

1. We have reviewed the consolidated financial results for the quarter and six months ended September 30, 2010, which are incorporated in the accompanying Statement of "Unaudited Consolidated Financial Results for the Quarter ended 30-September-2010" (the Statement) of **Idea Cellular Limited** ("the Company"), **its subsidiaries** and **joint venture** (collectively referred as "the Group"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review 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 financial results are free of material misstatement.

3. 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 opinion.

4. We have traced the figures of the Assets and Liabilities as at September 30, 2009 mentioned in Note 4 to the Statement from the unaudited consolidated financial statements for the six months ended September 30, 2009 without reviewing them.

5. We did not review the financial results of Indus Towers Limited, joint venture of Aditya Birla Telecom Limited (subsidiary of the Company), whose financial results reflect the Group's share of Income from operations of Rs. 27,191 lakhs and profit after tax of Rs.1,677 lakhs for the quarter ended September 30, 2010 and Income from operations of Rs. 52,730 lakhs and profit after tax of Rs.2,178 lakhs for the six months ended September 30, 2010. These financial results and other financial information have been audited by another auditor whose report has been furnished to us, and our report on the quarterly financial results, to the extent they have been derived from such interim financial statements is based solely on the report of such another auditor.

6. Based on our review and read with what has been stated in paragraph 5 above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

# Deloitte
# Haskins & Sells

7. Further, we also report that we have traced the number of shares as well as the percentage of shareholdings in respect of the aggregate amount of public shareholdings and the number of shares as well as the percentage of shares pledged/encumbered in respect of the aggregate amount of promoter and promoter group in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to the undisputed investor complaints from the details furnished by the Management / Registrars.

**For Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 117 366W)

**Hemant M Joshi**
Partner
Membership No:38019

Mumbai: October 25, 2010

**IDEA CELLULAR LIMITED**

Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011

Unaudited Consolidated Financial Results for the Quarter ended 30-September-2010

(₹ Lacs, except per share data)

| Particulars | Quarter Ended | | Six Months Ended | | Year Ended |
|---|---|---|---|---|---|
| | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 31-Mar-10 Audited |
| Net Sales / Income from Operations | 363,665 | 296,824 | 728,710 | 594,307 | 1,239,788 |
| Other Operating Income | 2,254 | 567 | 2,579 | 674 | 4,920 |
| **TOTAL REVENUE** | **365,919** | **297,391** | **731,289** | **594,981** | **1,244,708** |
| Increase / (Decrease) in stock in trade * | - | - | - | - | - |
| Consumption of raw material * | - | - | - | - | - |
| Cost of Trading Goods | 975 | 743 | 1,837 | 1,474 | 3,048 |
| Personnel Expenditure | 21,551 | 16,626 | 38,698 | 31,085 | 64,507 |
| Network Operating Expenditure | 100,910 | 76,138 | 202,498 | 151,196 | 312,697 |
| Licence & WPC charges | 41,775 | 33,196 | 84,197 | 66,882 | 134,681 |
| Roaming & Access Charges | 58,248 | 41,840 | 115,860 | 84,045 | 180,013 |
| Subscriber Acquisition & Servicing Expenditure & Advertisement and Business Promotion Expenditure | 40,147 | 35,674 | 82,387 | 68,994 | 158,175 |
| Depreciation & Amortisation | 58,201 | 47,965 | 114,759 | 93,519 | 201,491 |
| Other Expenditure | 14,430 | 12,220 | 29,091 | 24,360 | 50,872 |
| **TOTAL EXPENDITURE** | **336,237** | **264,402** | **669,327** | **521,555** | **1,105,484** |
| **PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE CHARGES AND TAX** | **29,682** | **32,989** | **61,962** | **73,426** | **139,224** |
| Other Income | - | 3,169 | - | 3,169 | 8,363 |
| **PROFIT BEFORE FINANCE CHARGES AND TAX** | **29,682** | **36,158** | **61,962** | **76,595** | **147,587** |
| Finance and Treasury Charges (Net) | 10,279 | 10,572 | 21,694 | 19,264 | 40,052 |
| **PROFIT BEFORE TAX** | **19,403** | **25,586** | **40,268** | **57,331** | **107,535** |
| Provision for Taxation (Net of MAT credit) | 1,429 | 3,571 | 2,154 | 5,609 | 12,141 |
| **NET PROFIT AFTER TAX** | **17,974** | **22,015** | **38,114** | **51,722** | **95,394** |
| Paid up Equity Share Capital ( Face value Rs. 10 per share ) | 330,098 | 310,010 | 330,098 | 310,010 | 329,984 |
| Reserves excluding Revaluation Reserve | | | | | 802,615 |
| EPS for the period ( Rupees) | | | | | |
| - Basic | 0.54 | 0.71 | 1.15 | 1.67 | 3.07 |
| - Diluted | 0.54 | 0.71 | 1.15 | 1.67 | 3.06 |
| Public Shareholding | | | | | |
| -Number of Shares | | | 1,750,527,891 | 1,579,634,854 | 1,749,382,404 |
| -Percentage of Shareholdings | | | 53.03% | 50.95% | 53.01% |
| Promoters and promoter group shareholding | | | | | |
| a) Pledged/Encumbered | | | | | |
| - No. of shares | | | - | - | - |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | | | 0.00% | 0.00% | 0.00% |
| - Percentage of shares (as a % of the total share capital of the Company) | | | 0.00% | 0.00% | 0.00% |
| b) Non-encumbered | | | | | |
| - No. of shares | | | 1,550,455,388 | 1,520,445,714 | 1,550,455,388 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | | | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the Company) | | | 46.97% | 49.05% | 46.99% |

* These items are not applicable

DELOITTE HASKINS & SELLS * Chartered Accountants *

IDEA Cellular Limited

IDEA CELLULAR LIMITED

Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011

Unaudited Consolidated Financial Results for the Quarter ended 30-September-2010

**Segmental Reporting** (₹ Lacs)

| Particulars | Quarter Ended | | Six Months Ended | | Year Ended |
|---|---|---|---|---|---|
| | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 30-Sep-10 Unaudited | 30-Sep-09 Unaudited | 31-Mar-10 Audited |
| **Segment Revenue** | | | | | |
| Net Sales / Income from each segment | | | | | |
| Mobility | 363,559 | 292,614 | 728,915 | 592,392 | 1,235,897 |
| Long Distance | 47,653 | 26,903 | 91,686 | 49,416 | 127,310 |
| Passive Infrastructure | 30,027 | 22,465 | 57,925 | 44,465 | 95,159 |
| **Total** | 441,239 | 341,982 | 878,526 | 686,273 | 1,458,366 |
| Less: Inter Segment Eliminations | (77,574) | (45,158) | (149,816) | (91,966) | (218,578) |
| **Net Sales / Income from Operations** | 363,665 | 296,824 | 728,710 | 594,307 | 1,239,788 |
| **Segment Results** | | | | | |
| Profit/(Loss) before Finance Charges and Tax from each segment | | | | | |
| Mobility | 2,056 | 25,101 | 11,537 | 53,351 | 79,315 |
| Long Distance | 21,400 | 9,750 | 40,168 | 17,713 | 51,909 |
| Passive Infrastructure | 6,226 | 1,307 | 10,257 | 5,531 | 11,169 |
| **Profit before Finance Charges and Tax** | 29,682 | 36,158 | 61,962 | 76,595 | 142,393 |
| Add: Unallocable Income | - | - | - | - | 5,194 |
| Less: Finance & Treasury Charges (Net) | 10,279 | 10,572 | 21,694 | 19,264 | 40,052 |
| **Profit before tax** | 19,403 | 25,586 | 40,268 | 57,331 | 107,535 |
| **Capital Employed** | | | | | |
| (Segment Assets - Segment Liabilities) | | | | | |
| Mobility | | | 1,705,897 | 1,400,842 | 1,256,263 |
| Long Distance | | | 112,085 | 38,966 | 71,906 |
| Passive Infrastructure | | | 325,626 | 323,467 | 339,714 |
| Unallocated | | | 176,168 | 352,925 | 276,703 |
| **Total** | - | - | 2,319,776 | 2,116,200 | 1,944,586 |

DELOITTE HASKINS & SELLS * Chartered Accountants *

IDEA Cellular Limited

**Notes**

1. The above unaudited consolidated financial results, as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors at their meeting held on 25th October, 2010. Limited Review, as required under Clause 41 of Listing Agreement, 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 Statement" and Accounting Standard – 27 on "Financial Reporting of Interests in Joint Ventures". Financial results of following subsidiaries viz. Aditya Birla Telecom Limited (ABTL) (including its subsidiary Idea Cellular Towers Infrastructure Limited (ICTIL) and its Joint Venture Indus Towers Limited), Idea Cellular Services Limited, Idea Cellular Infrastructure Services Limited, Swinder Singh Satara & Company Limited and Carlos Towers Limited have been consolidated.

3. The Company has received 3G spectrum allotment letters in respect of ten service areas during the quarter.

4. Statement of Assets and Liabilities :-

₹ Lacs

| **Particulars** | **As at 30-Sep-10** Unaudited | **As at 30-Sep-09** Unaudited |
|---|---|---|
| SHAREHOLDERS FUND: | | |
| (a) Share Capital | 330,098 | 310,010 |
| (b) Reserves and Surplus | 853,725 | 1,067,140 |
| (c) Outstanding ESOP's | 4,896 | 2,260 |
| CCPS issued by wholly owned Subsidiary | 193 | 193 |
| LOAN FUNDS | 1,119,682 | 720,625 |
| Deferred Tax Liability (Net) | 23,443 | 16,886 |
| **TOTAL** | 2,332,037 | 2,117,112 |
| FIXED ASSETS | 2,449,917 | 1,791,247 |
| Goodwill on Consolidation | 612 | 224,574 |
| INVESTMENTS | 41,145 | 173,240 |
| CURRENT ASSETS, LOANS AND ADVANCES | | |
| (a) Inventories | 4,794 | 5,347 |
| (b) Sundry Debtors | 54,634 | 43,142 |
| (c) Cash and Bank balances | 10,907 | 61,462 |
| (d) Other Current Assets | 30,444 | 28,392 |
| (e) Loans and Advances | 222,309 | 223,596 |
| Less: Current Liabilities and Provisions | | |
| (a) Current Liabilities | 478,057 | 411,525 |
| (b) Provisions | 16,929 | 23,274 |
| PROFIT AND LOSS ACCOUNT | 12,261 | 912 |
| **TOTAL** | 2,332,037 | 2,117,112 |

5. Unaudited financial results of Idea Cellular Limited (Standalone) :-

₹ Lacs

| | **Quarter ended** | | **Six months ended** | | **Year ended** |
|---|---|---|---|---|---|
| | **30-Sep-10** | **30-Sep-09** | **30-Sep-10** | **30-Sep-09** | **31-Mar-10** |
| Total Revenues | 362,892 | 282,610 | 725,853 | 565,712 | 1,189,577 |
| Profit before Tax | 16,857 | 29,590 | 37,477 | 63,259 | 116,873 |
| Net Profit after Tax | 16,598 | 25,989 | 36,761 | 58,102 | 105,366 |

DELOITTE HASKINS & SELLS * Chartered Accountants *

IDEA Cellular Limited

6. The status of investors' complaints is as under:
   Opening – 0, Received – 59, Resolved – 59, Closing – 0

7. Figures for the current period are not comparable with that of the corresponding period due to the merger of Spice Communications Limited effective 1st March 2010, prior to which it was a joint venture.

8. Previous period's figures have been regrouped and rearranged wherever necessary.

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

**Date : 25th October 2010**
**Place : Mumbai**

**Sanjeev Aga**
**Managing Director**

DELOITTE HASKINS & SELLS Chartered Accountants

IDEA Cellular Limited

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# Media Release

*Mumbai – Oct 25, 2010*

Idea Cellular announces un-audited results for the second quarter (Q2) and half year ended September 30, 2010

## Highlights – Q2 FY11

- Idea – Standalone[1] – Revenue Rs. 36,891mn, EBITDA Rs. 7,618mn, PAT Rs. 1,630mn
- Idea – Consolidated[2] – Revenue Rs. 36,592mn, EBITDA Rs. 8,788mn, PAT Rs. 1,797mn

INR mn

| | Idea Standalone [1] | | | | Idea Consolidated [2] | | | |
|---|---|---|---|---|---|---|---|---|
| | Q2 FY11 | Q1 FY11 | H1FY11 | H1FY10 | Q2 FY11 | Q1 FY11 | H1FY11 | H1FY10 |
| Revenue - Established Service Areas [3] | 33,507 | 33,833 | 67,340 | 54,543 | | | | |
| Revenue - New Service Areas [4] | 3,384 | 3,063 | 6,448 | 3,249 | | | | |
| Total Revenue | 36,891 | 36,897 | 73,787 | 57,792 | 36,592 | 36,537 | 73,129 | 59,498 |
| EBITDA - Established Service Areas [3] | 9,047 | 9,337 | 18,384 | 16,482 | | | | |
| EBITDA - New Service Areas [4] | (1,429) | (1,401) | (2,829) | (1,474) | | | | |
| Total EBITDA | 7,618 | 7,937 | 15,554 | 15,007 | 8,788 | 8,884 | 17,672 | 16,694 |
| EBITDA% - Established Service Areas [3] | 27.0% | 27.6% | 27.3% | 30.2% | | | | |
| EBITDA% - New Service Areas [4] | -42.2% | -45.7% | -43.9% | -45.4% | | | | |
| Total EBITDA% | 20.7% | 21.5% | 21.1% | 26.0% | 24.0% | 24.3% | 24.2% | 28.1% |
| Depreciation & Amortisation | 5,265 | 5,160 | 10,425 | 8,264 | 5,820 | 5,656 | 11,476 | 9,352 |
| Other Receipt | - | - | - | (317) | - | - | - | (317) |
| EBIT | 2,353 | 2,776 | 5,129 | 7,060 | 2,968 | 3,228 | 6,196 | 7,660 |
| Interest and Financing Cost (Net ) | 665 | 766 | 1,431 | 963 | 1,028 | 1,142 | 2,169 | 1,926 |
| PBT | 1,688 | 2,010 | 3,698 | 6,097 | 1,940 | 2,087 | 4,027 | 5,733 |
| PAT | 1,630 | 1,964 | 3,594 | 5,582 | 1,797 | 2,014 | 3,811 | 5,172 |
| Cash Profit [5] | 6,982 | 7,213 | 14,194 | 14,401 | 7,789 | 7,785 | 15,574 | 15,126 |

*Note: Spice Communications was amalgamated into Idea Cellular with an appointed date of March 01, 2010. Accordingly, previous year figures (H1FY10) for Idea Standalone exclude Spice Communications, and for Idea Consolidated include proportionate consolidation.*

With the increasing contribution of rural India to the total subscriber base, the July-September quarter is expectedly a period of marked subdued seasonal demand. Notwithstanding this, total Minutes on Network for Q2 expanded by 3% over the previous quarter. The average realised rate per minute for Q2 was 42p, exhibiting a slowing rate of decline for the last two quarters, compared to the precipitate decline of earlier quarters. Revenue for Q2 was similar to Q1, with expanding Minutes neutralising the rate drop, although margins compressed marginally due to increased costs in the quarter (the decline in H1FY11 margin for Established Service Areas compared to the previous year is primarily due to the Spice amalgamation and the increase in spectrum charges). Essentially, other than the seasonality effect, results for Q2 and for the earlier Q1 both display the same trend of an abatement in the rate of price decline, and an improvement of revenue market share for stronger operators like Idea.

Interest of Rs. 1,207 mn was capitalised during the quarter against payment for 3G auction fee. The PAT for the quarter was Rs. 1,630 mn on a standalone basis, with Cash Profit staying healthy at Rs. 6,982 mn.

Idea was awarded 3G spectrum in 11 important service areas, where it is in the process of rolling out extensive 3G networks. Further, Idea is pursuing long-term arrangements with select quality operators for service areas where Idea was not awarded 3G spectrum. Together, these will enable Idea subscribers, throughout the country, to enjoy what will be the gold standard in 3G services, apart of course, from deriving the benefit of nation-wide roaming.

Based on its spectrum profile, its brand power, sophisticated processes, service area specific strategy and strong balance sheet, Idea is poised to translate sector opportunities, into enduring competitive advantage.

**Notes:**

1. Idea Standalone represents Idea, and its 100% subsidiaries. Effectively, this encompasses all operations, excluding the JVs, Spice (till February 28, 2010) and Indus.
2. Idea Consolidated represents Idea, its 100% subsidiaries, and its JVs, grouped together. In addition to Idea Standalone, this covers the proportionate consolidation of Indus (16%), and Spice (41.09%, till February 28, 2010).
3. Established Service Areas represent Maharashtra & Goa, Gujarat, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Delhi, Kerala, Haryana, Uttar Pradesh West & Uttaranchal, Uttar Pradesh East, Rajasthan and the Himachal Pradesh service area, and also include the service areas of Punjab and Karnataka from March 01, 2010.
4. New Service Areas represent Mumbai, Bihar, Orissa, Tamil Nadu, J&K, Kolkata, West Bengal, Assam and the North East service areas.
5. Cash Profit is calculated as the summation of PAT, Depreciation, Charge on account of ESOPs and Deferred tax, for the relevant period.
6. Figures for past periods have been regrouped, wherever necessary.

**About Idea Cellular Ltd.**

A leading national GSM mobile services operator, Idea Cellular won 3G spectrum in 11 service areas. 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, India's first truly multinational group. The group operates in 26 countries, is anchored by an extraordinary force of over 130,600 employees belonging to 40 nationalities, and derives over 60% of its revenues from operations outside India.