ADITYA BIRLA

IDEA Cellular

May 13, 2017

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

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

Dear Sirs,

Sub: Audited Financial Results for the fourth quarter and financial year ended 31st March 2017 - Quarterly Report

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

In continuation of our letter of even date, we are enclosing herewith a copy of the Quarterly Report being issued on the performance of the Company for the fourth quarter and financial year ended 31st March, 2017.

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

IDEA CELLULAR LIMITED

Encl: As above

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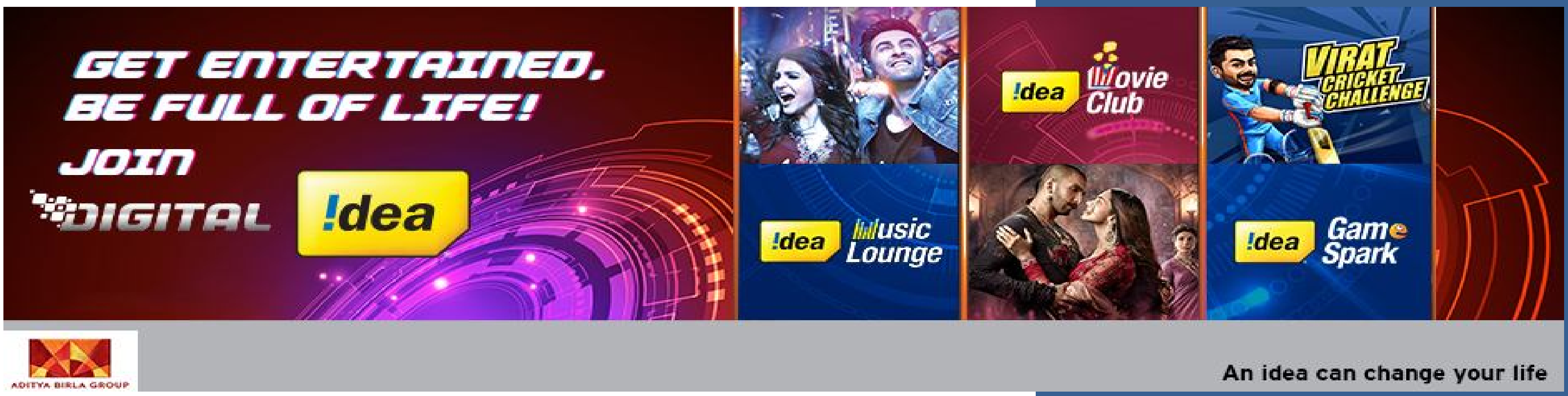
Idea Cellular Limited, 9th to 12th Floors, Birla Centurion, Century Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai 400030, India. Telephone: + 91 95940 04000, Fax: + 91 95940 03182.
E mail: info@idea.adityabirla.com, Website: www.ideacellular.com Corporate Identity Number: L32100GJ1996PLC030976.

Registered Office : Suman Tower, Plot No. 18, Sector 11, Gandhinagar 382 011. Telephone: +91 79 6671 4000 Fax: +91 79 2323 2251

Idea Cellular Limited

An Aditya Birla Group Company

Quarterly Report – Fourth Quarter Ended March 31, 2017



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

Corporate Office: 10th Floor, Birla Centurion, Century Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400 030, India

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Supplemental Disclosures

Unless stated otherwise, the financial data in this report is derived from our un-audited / audited financial statements prepared in accordance with 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.

Report Structure — Page No.

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 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 and ABIPBL at PAT level.

B. Adoption of Ind AS

From April 01, 2016 the Company has adopted Ind AS with a transition date of April 01, 2015. Accordingly, yearly and quarterly financials for FY16 are revised based on Ind AS.

2. Performance at a glance – Idea Standalone

Particulars	Unit	Ind AS		Ind AS		IGAAP		
		Q4FY17	Q3FY17	FY 17	FY 16	FY 15	FY 14	FY 13
Operating Highlights								
Subscriber base (EoP)	mn	189.5	185.2	189.5	175.1	157.8	135.8	121.6
2G - Cell Sites (EoP)	nos.	131,486	132,362	131,486	126,833	112,367	104,778	90,094
3G - Cell Sites (EoP) (U2100+U900)	nos.	69,202	66,661	69,202	50,060	30,291	21,381	17,140
4G - Cell Sites (EoP) (L1800+L2100)	nos.	40,852	33,954	40,852	14,643			
Total Minutes of Use	Mn	231,372	209,828	836,012	785,975	683,427	587,768	532,120
Total Data Volume (2G+3G+4G)	Mn MB	127,014	108,843	436,422	297,920	172,531	79,381	37,381
Financial Highlights								
Gross Revenue	Rs mn	81,261	86,627	355,757	359,494	315,548	265,036	225,949
EBITDA	Rs mn	21,965	21,655	102,763	119,675	97,679	73,467	53,516
PAT	Rs mn	(4,300)	(4,789)	(4,075)	23,781	34,772	17,932	10,080
Cash Profit [1]	Rs mn	12,494	12,276	69,386	99,011	84,820	64,350	46,968
Gross Investment in Fixed Assets	Rs mn	1,184,914	1,158,029	1,184,914	986,633	613,841	571,211	446,007
Net Worth	Rs mn	250,991	230,627	250,991	232,642	228,518	158,787	141,808
Loan Funds	Rs mn	550,546	505,893	550,546	405,413	258,754	193,616	126,688
Cash & Cash Equivalent	Rs mn	49,825	14,511	49,825	20,996	130,714	1,761	10,806
Net Debt	Rs mn	500,721	491,382	500,721	384,417	128,041	191,855	115,881
Net Debt to EBITDA [2]	unit	5.70	5.67	4.87	3.21	1.31	2.61	2.17
Net Debt to Net Worth	unit	1.99	2.13	1.99	1.65	0.56	1.21	0.82
ROCE	%	0.6%	0.8%	2.7%	7.4%	10.7%	7.1%	6.0%

[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 18.7% (Q3FY17). In the 15 Established Service Areas, its RMS stands at a strong level of 21.7% (Q3FY17). The company carried around 2.57 billion minutes on a daily basis during Q4FY17. Idea is the sixth largest mobile telecommunications company (counted on operations in a single country) in the world based on number of subscribers (GSMA Intelligence, as of December 31, 2016). Company is listed on National Stock Exchange and Bombay Stock Exchange in India with a market capitalization of Rs. 310 billion (as on March 31, 2017).

A. Promoters and Key Shareholders

Idea is part of the Aditya Birla Group, which is one of the largest business groups in India and is in the league of Fortune 500. 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 of 42.41% in Idea, through following entities;

Aditya Birla Nuvo Ltd.	23.23%
Birla TMT Holdings Pvt. Ltd.	7.87%
Hindalco Industries Ltd.	6.33%
Grasim Industries Ltd.	4.74%
Others	0.23%
Total	**42.41%**

Axiata Group Berhad, through its affiliates, has 19.75% 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, Nepal and Pakistan as well as significant strategic stakes in India and Singapore through its various subsidiaries and affiliates. The Group, including its subsidiaries and associates, has almost 320 million mobile subscribers in Asia and provides employment to 25,000 people across Asia.

B. Corporate Structure

Idea Cellular Limited (Idea)

- Subsidiary - Idea Cellular Infrastructure Services Limited (ICISL)
- Subsidiary - Idea Cellular Services Limited (ICSL)
- Subsidiary - Idea Telesystems Limited (ITL)
- Subsidiary - Idea Mobile Commerce Services Limited (IMCSL)
- Subsidiary - Aditya Birla Telecom Limited (ABTL)
  - Joint Venture - Indus Towers Limited (Indus)
- Associate - Aditya Birla Idea Payments Bank Limited (ABIPBL)

ICISL – A tower company owning towers (with transfer of towers from Idea to ICISL, it now owns almost all towers of Idea group's tower portfolio)

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 – Currently holds 11.15% 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 – An association with Aditya Birla Nuvo Limited (ABNL).

C. Business Segments

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).

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. After including 7 new telecom licenses and spectrum acquired in November 2012 auction, Idea achieved the highest renewal among the incumbent operators, at 16 out of 22 service areas, laying solid foundation for growth of business till year 2035 (2032 for 7 licenses).

  Below table provides the details of future license & linked spectrum expiry for remaining 6 circles

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	~9 years

- **Broadband Services**

  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 October, 2016 spectrum auction Idea Cellular prudently acquired 5 MHz spectrum in 2100MHz frequency band in high population service areas of Bihar and Rajasthan to offer 3G services. The company owns 17 carriers (15 on 2100 MHz and 2 on 900 MHz), to offer 3G services in 15 service areas. These 15 service areas covers ~86% of its revenue, ~87% of its subscribers and ~69% of national mobile industry revenue. Idea launched its 3G services in Bihar & Rajasthan during the quarter. As of 31st March, 2017 Idea 3G services has expanded on its own spectrum to (excluding 3G ICR) to 4,221 towns and 88,045 villages in 15 service areas covering 409 million Indians, representing 45.6% of population in these 15 service areas.

  4G Services – In October 2016 spectrum auction Idea had acquired 2x64.6 MHz (FDD) spectrum in frequency bands of 1800 MHz and 2100 MHz to expand its 4G spectrum ownership from 11 to 20 service areas (ex Delhi & Kolkata), covering 9 new service areas of Gujarat, Uttar Pradesh (West), Uttar Pradesh (East), Bihar & Jharkhand, Rajasthan, Mumbai, West Bengal, Assam and Jammu & Kashmir. Further, with acquisition of 200 MHz (TDD) spectrum in frequency band of 2300 MHz and 2500 MHz, Idea has spectrum to address the future requirement of capacity the company now holds 57 4G carriers (across 20 service areas) in comparison to 12 carrier before October 2016 auction. The 4G spectrum profile of the company covers ~94% of its own revenue and ~90% of industry revenue in these 20 service areas.

Company remained on track of expanding its broadband coverage on the spectrum acquired in October' 2016 auction. The company launched 4G services in 8 service areas during this quarter and is scheduled to launch in Mumbai Service Area during May, 2017. With this company will complete its 4G footprint in all the 20 Service areas where it has won 4G Spectrum. As on 31st March, 2017 Company's 4G services cover 3,400 towns and 19,800 villages in 19 service areas, covering 272 million Indians, representing 23.6% of population in these 19 circles.

Digital Services - On January 30, 2017, the company announced its arrival into the digital world with the launch of 3 new exciting Mobile Apps – Idea Music Lounge, Idea Movie Club, and Idea Game Spark – giving birth to a "Digital Idea". These digital content applications will serve as a one-stop entertainment destination initially for Idea subscribers, providing access on the fingertips to a large collection of popular and premium content, including a rich assortment of Hindi, Vernacular and International content. Idea Music Lounge, Idea Movie Club, and Idea Game Spark offer a complete suite of digital entertainment services.

- **Idea Music** Lounge offers a rich library of nearly 3 million Indian and international music tracks initially, which will be expanding to nearly 20 million tracks soon and is available on Google Play Store and iOS store. Idea Music Lounge hosts diverse content not only across 13 Indian languages, including Bollywood, South Indian Cinema etc, but also across International artists, albums and tracks from several major Music labels. As of March 31, 2017 over 5,57,000 customers are using Idea Music app.
- **Idea Movie Club** caters to the ever-growing video content needs of consumers, offering thousands of blockbuster movies, Live TV, 7 days catch-up TV, along with a series of original content and Short Videos across all genres and several languages. The rich content of videos and movies from Bollywood, South Indian & Regional Cinema will appeal to people across all age groups, including kids, for whom there are a host of animation and learning videos. Live and Catch up TV including premium channels, is offered in collaboration with Ditto TV. The app is available on Google Play Store and iOS store. As of March 31, 2017 nearly 2,76,000 customers are using Idea Movies Club app.

- **Idea Game Spark** is the ultimate gaming destination with a collection of over 1,600 games across all genres. Targeted at the gaming aficionado and the casual gamer, the games can be played both in the online and offline mode. As of March 31, 2017 over 5,16,000 customers are using Idea Game Spark.

These apps are competitively priced. With the launch of these apps the company has taken one more step towards transformation from a pure play mobile operator to an integrated digital services and solutions provider.

2. **Long Distance Services and ISP** – Idea holds licenses for NLD, ILD, ISP and IP-1 services. Idea NLD currently carries around 98.3% of its captive NLD minutes. Idea ILD services now handle almost 100% of captive ILD outgoing minutes, besides bringing large volume of incoming minutes from top international carriers across the globe. The Idea ISP service, in addition to catering to the captive mobile subscriber traffic, offers services to external customers like small ISP and enterprise customers for their wholesale Internet backhaul needs.

   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 1,44,600 km OFC, in comparison to 93,400 km two years back (Q4 FY15), an addition of over 51,000 km of fibre in last 2 years. Idea has over 9,840 OFC PoPs (4G, 3G & 2G) in all Circles. The fibre backhaul network of the company optimally serves its 2G/ 3G/4G/ NLD/ ILD/ ISP/Fixed & Wi-Fi Broadband needs. Idea has also introduced worlds' latest high capacity 100G DWDM network technology to cater to rising data demand.

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

	Unit	For the Quarter					Growth		For the Year		YoY Growth
		Q4FY17	Q3FY17	Q2FY17	Q1FY17	Q4FY16	QoQ	YoY	FY17	FY16	
Total NLD Minutes	mn	18,254	16,434	16,418	15,899	16,172	11.1%	12.9%	67,005	65,041	3.0%
Total ILD Minutes	mn	2,139	2,542	2,628	2,910	2,916	-15.9%	-26.6%	10,219	11,242	-9.1%
ISP Capacity*	Gbps	325.0	246.0	235.0	204.0	184.2	32.1%	76.4%	325.0	184.2	76.4%
Optical Fibre Cable (OFC)*	KM	144,600	133,800	126,000	120,700	115,500	8.1%	25.2%	144,600	115,500	25.2%
PoPs	Nos.	9,840	8,820	8,160	7,650	7,220	11.6%	36.3%	9,840	7,220	36.3%

*Approx capacity

3. **Idea Mobile Banking Services** -

To comply with the conditions prescribed by RBI for setting up Payments Bank, IMCSL (a wholly owned subsidiary of Idea) had filed a petition under section 391 to 394 of the Companies Act, 1956 with Hon'ble Delhi High Court for its amalgamation with Aditya Birla Idea Payments Bank Limited, which had also filed similar petition in Hon'ble Bombay High Court. Both the courts have approved the scheme of merger. Business of IMCSL shall be folded into ABIPBL as and when ABIPBL is ready to commence its operation, for which permission is yet to be received from RBI. The latest status of Idea Mobile Banking services 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 through retailer service points in 17 Circles. Idea is acquiring new mobile wallet customers digitally through Idea Web and Idea App across Pan India. Idea Money wallet is also available on Android and iOS platform. Idea Money wallet accounts can be opened with minimum KYC for balance up to Rs. 20,000/-. The company offers both cash and web loading (through net banking) into the wallets. With PPI wallet balance, one can recharge prepaid accounts for Idea and other operator's, recharge DTH accounts, pay bills and make mobile wallet to mobile wallet transfers (only Idea Money to Idea Money). Idea Money has tie ups with online and offline merchants like Book My show, Dominos, Bajaj Allianz, LIC etc. Idea Money wallet also caters to Domestic Money Remittance (DMR) through retailer assisted model. Total throughput for DMR during FY17 stands at Rs. 11,860 million.

The above Services are available to non-data users through our retailer assisted touch points. During the quarter ended March 31, 2017 it added 4 million new wallet customers. Idea Money as of 31st March, 2017 has EOP base of more than 11 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 excluding DMR are as follows

	Unit	For the Quarter					QoQ Growth
		Q4FY17	Q3FY17	Q2FY17	Q1FY17	Q4FY16	
EOP Wallet	000	11,012	7,006	5,012	3,407	2,053	57.2%
Transaction Value	INR Mn	2,961	1,400	1,055	779	405	111.5%
Transaction Count	000	6,891	4,139	3,321	2,747	3,502	66.5%
Average Trasaction Value	INR	424	338	317	334	221	25.4%

Payments Bank

RBI had given in principle approval to set-up the Payments Bank to Aditya Birla Nuvo Limited (ABNL) as promoter, on 7th September, 2015. A company 'Aditya Birla Idea Payments Bank Limited' (ABIPBL) was formed to setup the payments bank services with ABNL and Idea as shareholders. The Senior Management Team of ABIPBL is in place.

On April 03, 2017, ABIPBL received license of Payments Bank from RBI. The Payments Bank services are slated to be launched in Q2FY18 after necessary regulatory approvals. The company will acquire and service new Payments Bank customers both 'Online' leveraging the power of over 40 million digital customers of Idea and ABG as well as 'Offline' leveraging the strength of Idea's 2 Million+ retail distribution channel partners across over 400,000 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 Demand Deposits, other related investment and Insurance products to its payments bank customer.

4. Strength Areas

A. Competitive Spectrum Profile

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

Service Areas	FDD				TDD			FDD (2x)* +TDD	GSM (2G) services	Broadband Carrier	
	900	1800	2100	Total	2300	2500	Total			3G	4G
Maharashtra	9.0	11.0	5.0	25.0	10.0	10.0	20.0	70.0	√	2	5
Kerala	6.0	10.0	5.0	21.0	10.0	10.0	20.0	62.0	√	1	5
Madhya Pradesh	7.4	11.6	5.0	24.0	10.0	20.0	30.0	78.0	√	2	7
Uttar Pradesh (West)	5.0	9.4	5.0	19.4		10.0	10.0	48.8	√	1	4
Gujarat	5.0	10.0	5.0	20.0		10.0	10.0	50.0	√	1	4
Andhra Pradesh	5.0	6.0	5.0	16.0		10.0	10.0	42.0	√	1	3
Punjab	5.6	10.0	5.0	20.6				41.2	√	1	2
Haryana	6.0	10.8	5.0	21.8		10.0	10.0	53.6	√	1	4
8 Leadership Circle (Sub Total)	**49.0**	**78.8**	**40.0**	**167.8**	**30.0**	**80.0**	**110.0**	**445.6**		**10**	**32**
Uttar Pradesh (East)		6.2	10.0	16.2		10.0	10.0	42.4	√	1	3
Rajasthan		11.2	5.0	16.2		10.0	10.0	42.4	√	1	3
Bihar		10.80	5.0	15.8		10.0	10.0	41.6	√	1	3
Himachal Pradesh		9.8	5.0	14.8		10.0	10.0	39.6	√	1	3
Delhi	5.0	8.6		13.6				27.2	√	1	0
Mumbai		6.4	5.0	11.4				22.8	√		1
Karnataka	5.0	6.0		11.0				22.0	√		1
7 Emerging Circle (Sub Total)	**10.0**	**59.0**	**30.0**	**99.0**		**40.0**	**40.0**	**238.0**		**5**	**12**
Tamil nadu		11.4		11.4				22.8	√		1
Kolkata		5.0	5.0	10.0				20.0	√	1	
West Bengal		11.40		11.4		10.0	10.0	32.8	√		3
Orissa		10.0		10.0		10.0	10.0	30.0	√		3
Assam		10.0		10.0		10.0	10.0	30.0	√		3
North East		11.0		11.0		10.0	10.0	32.0	√		3
Jammu & Kashmir		10.0	5.0	15.0		10.0	10.0	40.0	√	1	3
7 New Circle (Sub Total)		**68.8**	**10.0**	**78.8**		**50.0**	**50.0**	**207.6**		**2**	**14**
Total 22 Circle	**59.0**	**206.6**	**80.0**	**345.6**	**30.0**	**170.0**	**200.0**	**891.2**	**22**	**17**	**57**
*FDD spectrum consisting of uplink and downlink											

5 MHz of paired FDD spectrum = 1 carrier, 10 MHz of unpaired TDD spectrum =1.5 carrier.

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

The incumbency advantage coupled with the benefit of 900 MHz GSM spectrum and 3G & 4G services give Idea an absolute leadership status in eight service areas with combined RMS of 30.5% (Q3FY17). Idea Cellular has further strengthened its Broadband spectrum position in these service areas with acquisition of 4G spectrum in Gujarat and UPW in Oct'16 Spectrum Auction. It has acquired incremental 1800 MHz spectrum in the 6 service areas of Gujarat, Uttar Pradesh (West), Maharashtra, Madhya Pradesh, Punjab, Haryana, which coupled with the earlier spectrum holding results into 2nd contiguous carrier of 1800 MHz 4G spectrum in these markets. Idea will now have 2nd contiguous carrier of 1800 MHz 4G spectrum in 7 out of these 8 leadership service areas (ex. Andhra Pradesh). The company now owns total 42 broadband carriers in these 8 service areas which will enable it to further strengthen its leadership position. Idea has also acquired 2300 MHz Spectrum in 3 Service Areas of Maharashtra, Madhya Pradesh & Kerala (planned launch in FY18) and 2500 MHz Spectrum in seven service areas (slated for launch in FY19).

8 Established Service Areas

Service Areas	RMS Q3FY17*	RMS Rank	Spectrum Profile
M. P.	42.7%	1	2G/3G/4G
Kerala	40.8%	1	2G/3G/4G
Maharashtra	33.1%	1	2G/3G/4G
UP – W	31.0%	1	2G/3G/4G
Haryana	27.7%	2	2G/3G/4G
Punjab	24.4%	2	2G/3G/4G
A. P.	23.5%	2	2G/3G/4G
Gujarat	22.4%	2	2G/3G/4G
Total	**30.5%**	**1**	

- **~41% of India Mobility Revenue and ~67% of Idea Revenue**
- **Incremental RMS @~60% - Q3FY17 vs Q3FY14**

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

During the quarter Idea rolled out 4G services in Gujarat and UP-W circles. With this, Idea has rolled out both 3G and 4G services in all these 8 strategically important service areas and around 77% of existing GSM sites are upgraded to offer Broadband Services (3G or 4G). 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 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 (~38% of National Mobile Industry Revenue)

Idea, over a period of time, 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 calendar year 2015). The emergence of Idea as a significant player in these 7 service areas reaffirms Idea's intrinsic competitive capabilities. With the spectrum acquisition in Oct'16 Spectrum Auction, Idea now has capability to offer broadband services in all of these 7 service areas. Idea has 4G spectrum on 1800/2100 MHz FDD band in 6 service areas and 3G spectrum in 5 out of these 7 service areas. The total number of Broadband carriers is 17 in these 7 service areas. The Company has also acquired 2500 MHz Spectrum in 4 Service Areas & services on TDD band are scheduled to be launched in FY19.

During this quarter Idea launched 4G services in 3 Telecom Circles of Rajasthan, UP-E & Bihar and 3G services in Rajasthan & Bihar.

Further company is scheduled to launch 4G Services in Mumbai by end of May, 2017. With launch in Mumbai, Idea will offer 3G services in 5 services areas and 4G services on 1800/2100 MHz FDD Band in 6 service areas out of these 7 service areas. Idea has upgraded ~39% of its existing GSM sites in six service areas (Excluding Mumbai) to offer Broadband Services (3G or 4G).

7 Emerging Service Areas				
Service Areas	**RMS Q3FY17***	**RMS Rank**	**Spectrum Profile**	
H.P.	12.2%	2	2G/3G/4G	• **~38% of India Mobility Revenue and ~26% of Idea Revenue** • **Incremental RMS @ ~22% - Q3FY17 vs Q3FY14**
Bihar	14.0%	3	2G/3G/4G	
UP – E	14.0%	3	2G/3G/4G	
Rajasthan	13.3%	3	2G/3G/4G	
Delhi	12.3%	3	2G/3G	
Karnataka	11.6%	4	2G/4G	
Mumbai	10.2%	4	2G/4G	
Total	**12.4%**	**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. 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 of Rs. 1,186 million in Q4FY17. In Oct'16 Auction Idea had expanded its 4G presence on 1800 MHz FDD band to six of these markets (ex. Kolkata). The total number of Broadband carriers in these 7 service areas is 16. Pursuant to this, company has launched its 4G services in 3 Telecom Circles West Bengal, Assam and J&K during this quarter and now offers 4G services on 1800 MHz FDD band in six service areas and 3G services in two service areas of these seven service areas. Idea has upgraded ~41% of its existing GSM sites to offer Broadband Services (3G or 4G). The company has also acquired 2500 MHz Spectrum in 5 out of these 7 Circles and intends to launch services on TDD band in FY19.

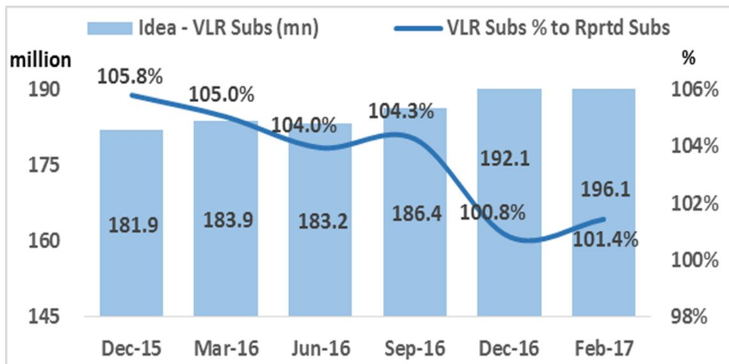
7 New Service Areas				
Service Areas	**RMS Q3FY17***	**RMS Rank**	**Spectrum Profile**	
WB	9.7%	3	2G/4G	• **~20% of India Mobility Revenue and ~7% of Idea Revenue** • **Incremental RMS @ ~36% -Q3FY17 vs Q3FY14**
TN	6.6%	4	2G/4G	
Assam	5.1%	4	2G/4G	
Kolkata	7.8%	5	2G/3G	
NESA	4.3%	5	2G/4G	
J&K	6.2%	6	2G/3G/4G	
Orissa	6.1%	6	2G/4G	
Total	**6.9%**	**4**		

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

E. 198 million Quality Subscriber Base

Idea is the sixth largest mobile telecommunications company (counted on operations in a single country) in the world based on number of subscribers (GSMA Intelligence, as of December, 2016) servicing over 198 million quality subscribers on VLR as of March 31, 2017. 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 (February, 2017) 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 February, 2017 Idea has 101.4% of reported subscribers as VLR subscribers, which is highest in the industry. Idea's EoP subscriber market share (on VLR) at the end of February, 2017 stands at 19.4%. In last 12 months from February, 2016 to February, 2017 Industry added 85.4 million subscriber on VLR primarily led by addition of 75.6 million subscribers by new entrant. Despite the prolonged period of free promotions by the new entrant Idea was able to hold its subscriber base and further added a healthy 13.7 million VLR subscribers during this 12 month period. With over 198 million VLR subscribers 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 223.1 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 72 months in the MNP space, Idea has maintained leadership position on overall MNP Net Adds. As on March 31, 2017 Idea has a net MNP gain of 22.1 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 Ltd. (Indus), a joint venture between Bharti Infratel Ltd., Vodafone India Ltd and Idea Cellular Ltd through its subsidiary Aditya Birla Telecom Ltd (ABTL) , is one of the world's leading tower company with 1,22,730 towers and tenancy ratio of 2.35 as of March 31, 2017. ABTL held 16% equity stake in Indus till January 31, 2017. Effective from February 01, 2017, P5 Asia Holding Investments (Mauritius) Limited (earlier beneficially holding ~30.3% of the total equity share capital of ABTL) has received from ABTL Indus Shareholding @ 4.85% and, consequently ABTL now holds only 11.15% in Indus Tower Limited.

• Own Towers

Idea (ICL) had completed transfer of its own towers to ICISL (a wholly owned subsidiary) in August, 2016 and almost towers are now under a single legal entity - ICISL. As the transfer is to a wholly owned subsidiary, there is no impact on the results. Besides investment in Indus Tower, Idea through ICISL, owns 9,977 towers as on March 31, 2017. There are 17,210 tenants on these towers at a tenancy ratio of 1.72. During the last 12 months the company has added 233 towers and 1,042 tenancies as it reorganized itself to improve its tower tenancy ratio. With this reorganization there is now complete focus on tower operations as an independent entity which will result in optimization and growth of the tower portfolio.

Overall Business	**Unit**	**For the Quarter**				
		Q4FY17	**Q3FY17**	**Q2FY17**	**Q1FY17**	**Q4FY16**
Owned Towers (EoP)	No.	9,977	9,838	9,772	9,760	9,744
Tenancy Ratio - Owned Towers	Times	1.72	1.68	1.68	1.66	1.66
Number of Tenants	No.	17,210	16,549	16,392	16,243	16,168

5. Financial Highlights

A. Profit & Loss Account (Rs mn)

	Ind AS				
	Q4FY17	Q3FY17	Q2FY17	Q1FY17	Q4FY16
Gross Revenue	81,261	86,627	93,002	94,866	94,783
Opex	59,296	64,972	64,601	64,124	61,441
EBITDA	21,965	21,655	28,401	30,742	33,343
EBITDA Margin	**27.0%**	**25.0%**	**30.5%**	**32.4%**	**35.2%**
Depreciation & Amortisation	19,885	19,653	19,543	19,192	18,777
EBIT	2,080	2,002	8,858	11,551	14,565
Interest and Financing Cost (net)	10,132	9,232	8,753	9,224	8,773
Dividend from Indus	-	-	-	3,623	-
PBT	(8,052)	(7,230)	105	5,950	5,792
Tax	(3,752)	(2,442)	62	978	2,243
PAT (standalone)	**(4,300)**	**(4,789)**	**43**	**4,971**	**3,550**
Cash Profit	**12,494**	**12,276**	**19,407**	**25,209**	**25,804**
Consolidation Impact					
Elimination on Dividend recd from Indus	-	-	-	(3,623)	-
Share of Profit from Indus & Payments Bank	**983**	**1,143**	**1,057**	**1,035**	**1,165**
Deferred Tax on Undistributed earnings of Indus	(41)	193	186	179	198
Consolidated PAT	**(3,277)**	**(3,839)**	**914**	**2,204**	**4,517**
Other comprehensive income (net of Tax)	**21**	**(17)**	**(14)**	**(33)**	**(25)**
Total comprehensive income for the period	**(3,256)**	**(3,856)**	**900**	**2,171**	**4,492**

B. Balance Sheet (Rs mn)

Particulars	Idea Consolidated as on 31-Mar-17	31-Mar-16
Assets		
Non-current assets		
Property, plant and equipment	228,443	211,761
Capital work-in-progress	13,303	6,623
Goodwill	61	61
Intangible assets	539,128	440,079
Capital work-in-progress -Intangible assets	62,048	53,775
Financial assets		
Non-current investments	14,785	21,404
Long term loans	26	25
Other non-current financial assets	4,865	8,965
Deferred Tax Assets	369	
Other non-current assets	27,694	13,593
Total non-current assets (A)	**890,722**	**756,286**
Current assets		
Inventories	588	1,065
Financial assets		
Current investments	48,998	13,305
Trade receivables	13,139	11,424
Cash and cash equivalents	782	7,630
Bank balance other than cash and cash equivalents	45	61
Short term loans	21	17
Other current financial assets	399	921
Current Tax Assets (Net)	25	56
Other current assets	12,312	10,335
Total current assets (B)	**76,309**	**44,814**
Assets classified as held for sale (C)	**16**	**155**
Total Assets (A+B+C)	**967,047**	**801,255**
Equity and liabilities		
Equity		
Equity share capital	36,053	36,005
Other equity	211,269	199,500
Total equity (A)	**247,322**	**235,505**
Non-Current Liabilities:		
Financial liabilities		
Non-current borrowings	516,378	359,040
Other non-current financial liabilities	10,382	23,722
Long term provisions	3,842	3,454
Deferred tax liabilities (net)	13,587	19,539
Other non-current liabilities	4,920	4,108
Total Non-Current Liabilities (B)	**549,110**	**409,863**
Current Liabilities:		
Financial liabilities		
Current borrowings	347	16,456
Trade payable	40,777	32,471
Current maturities of long term debt	33,820	29,917
Other financial liabilities	68,740	52,623
Other current liabilities	26,732	23,494
Short term provisions	199	926
Total Current Liabilities (C)	**170,615**	**155,887**
Total equity and liabilities (A+B+C)	**967,047**	**801,255**

6. Pro-forma Revenue and Profitability Break-up

Rs mn

Revenue Break-up	For the Quarter	
	Q4FY17	Q3FY17
Gross Revenue - Established Service Areas	75,260	80,163
Gross Revenue - New Service Areas	6,002	6,464
Total Revenue	81,261	86,627

EBIT Break-up	For the Quarter	
	Q4FY17	Q3FY17
EBIT - Idea Standalone	2,080	2,002
EBIT Contribution - Indus, ABIPBL	1,674	1,964
EBIT - Incl. Indus & ABIPBL Contribution	3,754	3,966

EBITDA Break-up	For the Quarter	
	Q4FY17	Q3FY17
EBITDA -Established Service Areas	23,151	23,283
EBITDA - New Service Areas	(1,186)	(1,628)
EBITDA - Idea Standalone	21,965	21,655
EBITDA Contribution - Indus, ABIPBL	2,486	3,004
EBITDA - Incl. Indus & ABIPBL Contribution	24,451	24,659

Interest & Finance Cost Break-up	For the Quarter	
	Q4FY17	Q3FY17
Gross Interest Cost - Idea Standalone	10,816	9,669
Gross Interest Income - Idea Standalone	(684)	(437)
Int. & Fin. Cost (net) - Idea Standalone	10,132	9,232
Int. & Fin. Cost (net) - Indus , ABIPBL	159	205
Int & Fin Cost (net) - Incl. Indus & ABIPBL Contribution	10,291	9,437

EBITDA Margin	For the Quarter	
	Q4FY17	Q3FY17
EBITDA % - Established Service Areas	30.8%	29.0%
EBITDA % - New Service Areas	-19.8%	-25.2%
EBITDA % - Idea Standalone	27.0%	25.0%
EBITDA % - Incl. Indus & ABIPBL Contribution	30.1%	28.5%

Tax Break-up	For the Quarter	
	Q4FY17	Q3FY17
Tax - Idea Standalone	(3,752)	(2,442)
Tax - Indus, ABIPBL	532	616
Tax - Incl. Indus & ABIPBL Contribution	(3,220)	(1,826)

Dep. & Amort. Break-up	For the Quarter	
	Q4FY17	Q3FY17
Dep & Amort. - Idea Standalone	19,885	19,653
Dep. & Amort. Cost - Indus, ABIPBL	813	1,041
Dep. & Amort. - Incl. Indus & ABIPBL Contribution	20,697	20,693

PAT Break-up	For the Quarter	
	Q4FY17	Q3FY17
PAT - Idea Standalone	(4,300)	(4,789)
PAT Contribution - Indus, ABIPBL	983	1,143
Deferred Tax impact on Undistributed Indus Profit	(41)	193
PAT - Incl. Indus & ABIPBL Contribution	(3,277)	(3,839)

Note:

1. Under Ind AS, Indus & ABIPBL are consolidated at PAT level. However, for 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.
2. 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.
3. The financials for Indus have been consolidated @ 16% for Q3FY17 and for Jan'17. Post capital reduction scheme, effective from February 01, 2017 Indus financials are being consolidated @ 11.15%.

7. Key Operational Indicators – Idea Standalone

Overall Business	Unit	For the Quarter				
		Q4FY17	Q3FY17	Q2FY17	Q1FY17	Q4FY16
Subscriber Base (EoP) (2G+3G)	mn	189.5	185.2	178.8	176.2	175.1
VLR Subscribers (EoP)	mn	198.3	192.1	186.4	183.2	183.9
Net VLR Subscriber addition	mn	6.2	5.6	3.2	(0.7)	2.0
Pre-paid Subs (% of EoP subscribers)	%	95.6%	95.5%	95.3%	95.4%	95.5%
Number of 3G Devices (Including 4G devices)	mn	78.1	75.7	70.4	61.4	60.4
Out of Above - 4G Devices	mn	24.3	20.4	19.3	14.2	11.1
3G/4G Device Penetration (on EoP)	%	41.2%	40.9%	39.4%	34.8%	34.5%
3G Subscribers (Voice+Data) (EoP)	mn	30.4	32.6	34.8	32.3	30.5
Average Revenue per User (ARPU) Blended	INR	142	157	173	181	179
Average Voice Revenue Per User (Voice ARPU)	INR	107	114	122	130	129
Average Minutes of Use per User (MoU)	min	412	385	368	379	387
Average Realisation per Minute (ARPM)	paisa	34.5	40.7	47.0	47.7	46.4
Average Realisation per Minute (Voice ARPM)	paisa	25.9	29.6	33.1	34.3	33.3
Post-paid Churn	%	3.6%	3.5%	3.1%	3.0%	2.9%
Pre-paid Churn	%	6.2%	6.1%	5.5%	5.3%	4.8%
Blended Churn	%	6.1%	6.0%	5.4%	5.2%	4.7%
2G Coverage - No. of Census Towns	no.	7,693	7,695	7,681	7,634	7,625
2G Coverage - No. of Villages	no.	389,061	393,257	390,874	386,403	383,372
2G Coverage - Population	Mn	996	1,002	999	992	988
% of Population (22 Circles)	%	82.3%	82.8%	82.5%	82.0%	81.6%
3G Coverage - No. of Census Towns	no.	4,221	4,153	4,099	3,975	3,923
3G Coverage - No. of Villages	no.	88,045	83,693	73,336	57,163	56,756
3G Coverage - Population	Mn	409	395	377	349	348
% of Population (15 Circles)*	%	45.6%	57.2%	54.7%	50.6%	50.4%
4G Coverage - No. of Census Towns	no.	3,363	2,898	2,343	1,968	1,327
4G Coverage - No. of Villages	no.	19,811	15,720	7,495	5,191	2,619
4G Coverage - Population	Mn	272	211	171	151	116
% of Population (19 Circles)*	%	23.6%	37.6%	30.9%	27.3%	21.0%

* For Q4FY17 - 3G 15 circles and 4G 19 Circles. Population Coverage figures for earlier quarter represents 3G – 13 circles and 4G - 11 circles.

Overall Business	Unit	For the Quarter				
		Q4FY17	Q3FY17	Q2FY17	Q1FY17	Q4FY16
Total Minutes of Use	mn	231,372	209,828	195,504	199,307	201,606
Total 2G Cell Sites (EoP)	no.	131,486	132,362	130,633	127,835	126,833
Total 3G Cell Sites (EoP)	no.	69,202	66,661	60,467	51,231	50,060
Total 4G Cell Sites (EoP)	no.	40,852	33,954	24,945	19,939	14,643
Towers - Rented Indus (EoP)	no.	69,688	70,661	69,618	67,743	67,169
Towers - Rented Others (EoP)	no.	53,732	53,438	52,121	50,509	50,049
Owned Towers (EoP)	no.	9,977	9,838	9,772	9,760	9,744
Tenancy Ratio - Owned Towers	times	1.72	1.68	1.68	1.66	1.66
Non-Voice and Data Business (2G+3G+4G)						
VAS as a % of Service Revenue	%	24.9%	27.2%	29.6%	28.2%	28.3%
Data as a % of Service Revenue	%	18.3%	20.2%	21.9%	20.6%	20.1%
Non-Data VAS as a % of Service Revenue	%	6.6%	7.0%	7.7%	7.6%	8.2%
Total Data Suscribers (2G+3G+4G)*	000	42,233	48,583	54,063	49,050	44,019
Total Data Volume (2G+3G+4G)	Mn MB	127,014	108,843	107,439	93,127	82,236
Blended Data ARMB	paisa	11.5	15.9	18.7	21.1	22.9
Data ARPU for Data Subscriber (2G+3G+4G)	INR	110	111	130	142	147
Data Usage by Data Subscriber (2G+3G+4G)	MB	957	703	694	674	641
Broadband Business (3G+4G) - Network KPIs						
3G Data Volume	Mn MB	85,549	72,048	69,611	61,914	56,165
4G Data Volume	Mn MB	18,674	12,407	10,250	4,939	1,438
Broadband Data Uages by Broadband Subs	MB	1,381	971	922	889	857
Broadband Business (3G+4G) Subscribers KPIs						
3G Data Subscribers	000	21,614	24,485	27,630	25,200	22,909
4G Data Subscribers	000	3,069	2,541	3,073	1,800	680
Data ARPU for Broadband Subs**	INR	138	141	160	174	191

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

8. Management Discussion & Analysis

A. Operating Performance

Mobile Service Industry Declines in FY17

The Indian wireless industry witnessed an unprecedented disruption in the second half of financial year 2016-17 (FY17) on account of free voice & mobile data promotions by the new entrant in the sector. The October to April 2017 interval can be best described as 'Period of Telecom Discontinuity', permanently changing mobility business parameters. Consequently, the revenue KPIs & financial parameters for all mobile operators have sharply declined in H2FY17. For the first time in its history, the flourishing Indian Mobility industry, is trending towards an annual revenue decline of ~2% in FY17 (vs FY16). With the new entrant starting to charge for its services, albeit very slowly, the sector is expected to return to growth in the next financial year.

January to March 2017 Performance Under Stress

As a result of this current industry upheaval, the standalone Idea revenue dropped to an unforeseen level in Q4FY17 at Rs. 81,261 million, a sequential quarterly decline of 6.2% on the back of 6.9% decline in Q3FY17 (vs Q2FY17). However, due to focused cost optimisation drive and forex gain during the quarter, the company was able to hold its EBITDA at Rs. 21,965 million (QoQ growth @ 1.4%), with EBITDA margin @ 27% in Q4FY17, inspite quarterly revenue decline of Rs. 5,366 million.

Rates Free Fall Continues….

In an effort to retain its existing mobile subscribers, Idea was forced to reduce on sequential quarterly basis in Q4FY17, its voice rate by 12.5% to 25.9 paisa/min (vs. 29.6 paisa in Q3FY17) as also steeply drop its mobile data rate (ARMB) by 27.6% to 11.5 paisa/MB (vs. 15.9 paisa in Q3FY17). However, the lure of free offerings by the new mobile operator resulted in lower than normal volume elasticity with sequential quarterly voice minutes growing by 10.3% to 231.4 billion minutes (vs. 209.8 billion minutes in Q3FY17). The higher blended voice realisation rate fall was also an outcome of the tsunami of minutes terminating on Idea network from the new operator, resulting in overall higher ratio of incoming minutes recorded at below cost IUC rates.

The impact of free extended promotions was even more pronounced on mobile data business. Idea witnessed a sequential quarterly decline of 6.4 million mobile data customers on the back of 5.5 million loss in Q3FY17 (vs Q2FY17) and overall mobile data customer base has receded to 42.2 million (vs 48.6 million in Q3FY17). The mobile data volume elasticity was negated by massive mobile data rate drop of 27.6%, though overall mobile data volume grew by 16.7% (vs Q3FY17) to 127 billion MB (2G+3G+4G). The per subscriber data usage grew by 36.2% to 957 MB against 703 MB in Q3FY17 but the data ARPU for data subscribers (2G+3G+4G) remained flat in Q4FY17 at Rs.

110 against Rs. 111 (Q3FY17). The 'Non Voice Revenue' (including data) contribution to the 'overall service revenue' fell to 24.9% as mobile data revenue contribution declined to 18.3% (vs 20.2% in Q3FY17). However, the company remains optimistic of revival of mobile data subscriber addition & data revenue in FY18 as wireless broadband prices become more affordable for higher adoption by the Indian masses across all socio-economic & geographic segments.

Robust Subscriber Additions While on Its Wireless Broadband Journey

Separately on voice subscriber addition, Idea withstood the unprecedented attack by new entrant, adding a healthy 6.2 million new customers (on VLR) during the quarter (on back of 5.6 million addition in Q3FY17) taking the company EoP subscriber base (on VLR) to robust level of 198.3 million as on March 31, 2017. Near 200 million customer portfolio provides Idea the platform for growth in Mobile Voice, Wireless Broadband, Digital Services and Mobile Banking, post this disruptive phase. Competitively, Idea continued to strengthen its market share position with its Revenue Market Share (RMS) expanding to 19.0% in calendar year 2016 (CY16), an increase of 0.4% compared to CY15, while maintaining healthy subscriber market share (on VLR) at 19.4% (February 2017).

Inspite of short term challenges, Idea remains committed to the process of building world class mobile broadband services. With the slated launch of Mumbai 4G services by end of May 2017, the company will be offering broadband services (3G and / or 4G) on its own spectrum across all 22 service areas. During this quarter, Idea launched its 4G services in 8 service areas of Gujarat, UPW, UPE, Rajasthan, Bihar, West Bengal, Assam and J&K, thus expanding its 4G broadband services to 19 telecom circles. The company also introduced 3G services during Q4FY17 in Bihar and Rajasthan service areas, expanding Idea's 3G product offerings on its own spectrum to 15 service areas (besides offering 3G services in remaining service areas on 3G ICR, except Orissa).

Muted Overall Performance During Financial Year 2016-17

On the financial year basis, Idea, for the first time since its IPO, is reporting a revenue decline @1% at Rs. 355,757 million for FY17 (Rs. 359,494 million in FY16). While the company remains optimistic on India growth story & continues to expand its scale of operations, this tumultuous phase subdued Idea's EBITDA during the current financial year by 14.1% to Rs. 102,763 million (vs Rs. 119,675 million in FY16). Further, last two years of high Investment in Spectrum and Equipment has increased the 'Depreciation & Amortisation' charge to Rs. 78,272 million and 'Interest & Financing Cost (Net)' to Rs. 37,341 million thereby Idea PAT is at a loss of Rs. 4,075 million in FY17 on standalone basis – first ever annual loss in last 11 years since its IPO during Year 2007.

The Net Debt as on March 31, 2017 stands at Rs. 500.7 billion, including a large component of debt from DoT under 'Deferred Payment Obligation' for Spectrum acquired in Auctions. With adoption of 'Ind AS', the financials of Indus (Joint Venture) and ABIPBL (Associate) are consolidated at PAT level only. Accordingly, the consolidated

Total Comprehensive Income (including share from Indus & ABIPBL) stands at a loss of Rs. 4,041 million in FY17 against surplus of Rs. 27,142 million in FY16.

Infrastructure Buildout on Track

During FY17, Idea has integrated highest ever network telecom site count of 50,004 sites (2G+3G+4G), expanding its network sites on GSM (2G), HSPA (3G) and LTE (4G) to an overall EoP of 241,540 sites, including 70% increase in its wireless broadband site (3G+4G) count from 64,703 sites as on March 31, 2016 to 110,054 sites as of March 31, 2017. The wireless broadband population under coverage now expands beyond 500 million Indians in 21 service areas on Idea's own broadband spectrum. The company has also expanded its fibre network by 25% from 115,500 km (March 31, 2016) to 144,600 km as on March 31, 2017. The overall capex spend for the year was Rs. 78.5 billion, mainly funded from FY17 Cash Profit at Rs. 69.4 billion. The company's Gross Investment in Fixed Assets has risen to nearly Rs. 1,185 billion, an addition of ~Rs. 198 billion in last 12 months. The monetisation of this front loaded large investment in spectrum & equipment is inevitable as Digital India mission gathers momentum. Idea's overall spectrum holding of 891.2 MHz across 900, 1800, 2100, 2300 & 2500 MHz equips it with an ability to roll out broadband which can carry 15-20 times of its current mobile data traffic. The capex guidance for FY18 is Rs. 60 billion, an investment earmarked for expanding broadband coverage, increase wireless data capacity with planned launch of 2300 MHz spectrum network (2500 MHz spectrum rollout slated for FY19) & introduction of LTE voice services etc.

Merger Update

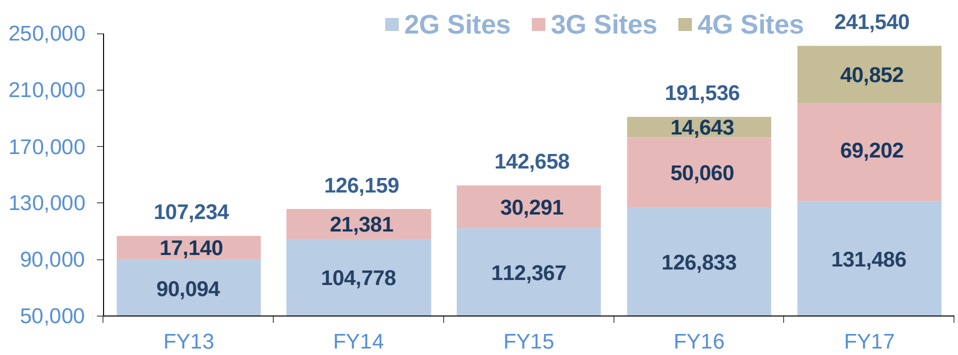
On 20th March, 2017 Vodafone Group Plc and Idea Cellular announced an agreement to combine their operations in India (excluding Vodafone's 42% stake in Indus Towers) to create India's largest telecom operator. The merger of Idea and Vodafone is founded on the shared commitment to deliver substantial stakeholder value, offer strong consumer choice to 1.3 billion Indians and contribute towards realising the Prime Minister's vision of Digital India and financial inclusion goals.The combined company would become the leading communication provider in India with ~400 million customers, 35% Customer Market Share and 41% Revenue Market Share (based on Q3FY17 TRAI release). The merger transaction is subject to approval from the relevant regulatory authorities & Idea's shareholders. Vodafone & Idea have initiated necessary steps to obtain regulatory approvals. A joint merger notification has been filed with the 'Competition Commission of India' (CCI) and the Scheme of Arrangement has been filled with SEBI & Stock Exchanges for their approvals.

In the meantime, Idea will remain nimble, agile, adaptive and focused on its execution capabilities. The company remains confident to capitalise on the emerging opportunities in mobile voice, digital content, mobile banking & wireless data business as telecom market invariably moves towards consolidation with 5 major providers.

B. Capex

Idea rolled out 4,653 2G cell sites, 19,142 3G sites and 26,209 4G cell sites during the year, highest ever rollout of 50,004 sites in a year. The total EoP site count stands at 241,540 – 131,486 for 2G, 69,202 for 3G and 40,852 for 4G. The total addition to the Gross Block including CWIP for the year was Rs. 78.5 billion (excluding forex & interest capitalisation/de-capitalisation).

The capex guidance for FY18 is Rs. 60 billion with current spectrum portfolio.

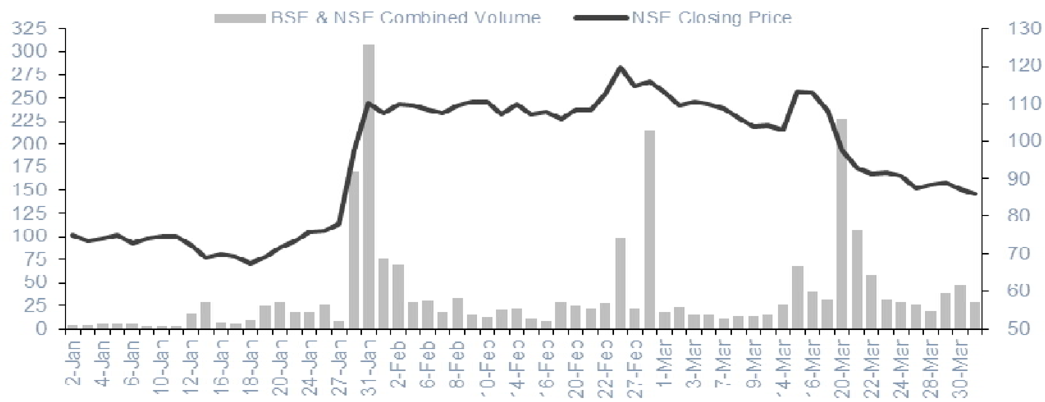


9. Stock Market Highlights

General Information		
BSE Code		532822
NSE Symbol		IDEA
Reuters		IDEA.BO/IDEA.NS
No of Shares Outstanding (31/03/2017)	mn	3605.33
Closing Market Price - NSE (31/03/2017)	INR/share	85.85
Combined Volume (NSE & BSE) (01/01/2017 to 31/03/2017)	mn/day	38.6
Combined Value (NSE & BSE) (01/01/2017 to 31/03/2017)	INR mn/day	3930.7
Market Capitalisation (31/03/2017)	INR bn	310
EPS for the Quarter (Annualised)	INR/share	-3.64
Enterprise Value (31/03/2017)	INR bn	810
Price to Earning	times	NA
Price to Cash Earning	times	6.2
Price to Book Value	times	1.3
EV/Annualised EBITDA	times	8.2

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 March 31, 2017:

Particulars	Idea Cellular Ltd.	
Promoter and Promoter Group	**No. of Shares**	**% holding**
Indian	1,528,847,547	42.41%
Foreign	-	
Public Shareholding	**No. of Shares**	**% holding**
Foreign Holding	1,687,082,255	46.79%
Indian Institutions	246,285,060	6.83%
Others	143,113,369	3.97%
Total	**3,605,328,231**	**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 (excluding MAT) 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 Investment in Fixed Assets	Till FY16 – it Is considered as equal to reported Gross Block +CWIP under IGAAP From Q1FY17 onwards, Additions during the period (net of deletion) is added to Gross Block + CWIP (as per IGAAP) value of March 31, 2016
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

Definitions/Abbreviation	Description/Full Form
Incremental Revenue Market Share	Is calculated as change in absolute revenue for Idea divided by change in absolute revenue for mobile Industry during the relevant period
Market Capitalisation	Number of outstanding shares at end of the period multiplied by closing market price (NSE) at end of the period.
MoUs/Sub (Average Minutes of Usages per Subs)	Is calculated as, total Minutes of Use by mobile subscriber during the period divided by the average of subscribers during the period
Net Adds	Refers to net customer additions which is calculated as the difference between the closing and the opening customers for the period
Net Debt	Total loan funds reduced by cash and cash equivalents
Net Worth	calculated as the summation of Share Capital and Reserves & Surplus reduced by debit balance of Profit & Loss account (if any)
New Service Areas	represent 7 service areas of Orissa, Tamil Nadu, J&K, Kolkata, West Bengal, Assam and North East from Q1FY14 onwards. For FY13 New Service Areas were 9, including Mumbai and Bihar.
NSE	National Stock Exchange
PBT	Profit before Tax
PAT	Profit after Tax
Price to Book Value	Is calculated by dividing the closing market price at the end of the period (NSE) by the Book Value/ Share
Price to Cash Earning	Is calculated by dividing the closing market price at the end of the period (NSE) by the annualised Cash Earning/Share
Price to Earning	Is calculated by diving the closing market price (NSE) at the end of the period by the annualised EPS
ROCE	ROCE is calculated as a) for the year PAT plus net Interest and Finance Cost Less Tax at effective rate divided by average capital employed for the year, b) for the quarter : PAT (excluding non-recurring income) net Interest and Finance Cost Less Tax at effective rate for the quarter is annualised and increased by non-recurring income and then divided by average capital employed for the quarter. Capital employed is taken as the average of opening and closing of Shareholders Funds and Net Debt reduced by the debit balance of P&L account (If any), for the respective period
Service Area	Unless otherwise specifically mentioned, means telecom service areas in India as defined by the DoT.