

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 31<sup>st</sup> March 2017**

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

In continuation of our letter dated May 5, 2017, we wish to inform you that the Board of Directors of the Company at their meeting held today, inter-alia, have:

1. Approved the Audited Financial Results (Standalone and Consolidated) of the Company for the financial year ended March 31, 2017.
2. Approved issuance of redeemable non-convertible debentures on a private placement basis for the operations of the Company, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the following:

- (i) Audited Financial Results (Standalone and Consolidated) for the quarter / financial year ended March 31, 2017 and declaration on unmodified opinion on Auditor's Report;
- (ii) Auditors' Report on the Audited Financial Results (Standalone and Consolidated)

The aforesaid results have been approved by the Board of Directors of the Company at their meeting held today, which commenced on 11:30 A.M. and concluded at 2:15 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.

Kindly acknowledge receipt of the same.

Thanking you,

Yours truly,  
For **Idea Cellular Limited**

  
**Pankaj Kapdeo**  
Company Secretary

Encl: As above



**Chartered Accountants**  
706, 'B' Wing, 7th Floor,  
ICC Trade Tower,  
Senapati Bapat Road,  
Pune - 411016,  
Maharashtra, India

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Fax: +91 20 6624 4605

**INDEPENDENT AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF  
IDEA CELLULAR LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of **IDEA CELLULAR LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the profit of its joint venture and its share of loss of its associate for the year ended March 31, 2017 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 5 below, is sufficient and appropriate to provide a basis for our audit opinion.



3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor on separate financial statements of the joint venture referred to in paragraph 5 below, the Statement:
  - a. includes the results of the following entities:
    - i. Idea Cellular Limited (ICL) (the Parent)
    - ii. Idea Cellular Services Limited (Subsidiary of ICL)
    - iii. Idea Cellular Infrastructure Services Limited (Subsidiary of ICL)
    - iv. Aditya Birla Telecom Limited (ABTL) (Subsidiary of ICL)
    - v. Idea Telesystems Limited (Subsidiary of ICL)
    - vi. Idea Mobile Commerce Services Limited (Subsidiary of ICL)
    - vii. Indus Towers Limited (Joint Venture of ABTL)
    - viii. Aditya Birla Idea Payments Bank Limited (Associate of ICL)
  - b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss, Total comprehensive loss and other financial information of the Group for the year ended March 31, 2017.
4. We draw attention to Note 6 of the Statement which describes the uncertainties related to the legal outcome in respect of the Department of Telecommunications (DoT) demand notices for one time spectrum charges. Our opinion is not qualified in respect of this matter.
5. The consolidated financial results include the Group's share of net profit of Rs. 996.96 Mn and Rs. 4,302.93 Mn and total comprehensive income of Rs. 998.20 Mn and Rs. 4,298.52 Mn for the quarter and year ended March 31, 2017, respectively, as considered in the consolidated financial results, in respect of Indus Towers Limited a joint venture of Aditya Birla Telecom Limited (Subsidiary of the Parent), whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the report of the other auditors.

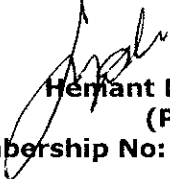
Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of other auditor.
6. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



7. The comparative financial information for the quarter and year ended March 31, 2016 in respect of Indus Towers Limited included in this Statement prepared in accordance with the Ind AS have been audited by other auditor and have been relied upon by us.

Our report is not qualified in respect of this matter.

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

  
**Hemant M. Joshi**  
**(Partner)**  
**(Membership No: 38019)**

**Place: Mumbai**  
**Date: 13<sup>th</sup> May 2017**

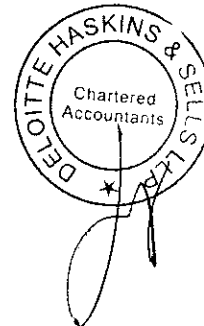
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<b>IDEA CELLULAR LIMITED</b> Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976 Audited Consolidated Financial Results for the quarter and year ended 31-March-2017 (₹ Mn, except per share data)					
Particulars	Quarter Ended			Year Ended	
	31-Mar-17 Audited (refer note 12)	31-Dec-16 Unaudited	31-Mar-16 Audited (refer note 12)	31-Mar-17 Audited	31-Mar-16 Audited
Net Sales / Income from Operations	81,091	86,607	94,580	355,527	359,164
Other Operating Income	170	20	204	231	330
<b>REVENUE FROM OPERATIONS</b>	<b>81,261</b>	<b>86,627</b>	<b>94,784</b>	<b>355,758</b>	<b>359,494</b>
Other Income	684	437	223	3,069	2,131
<b>TOTAL REVENUE</b>	<b>81,945</b>	<b>87,064</b>	<b>95,007</b>	<b>358,827</b>	<b>361,625</b>
Cost of Trading Goods	21	40	111	279	289
Employee Benefit Expenses	4,367	4,487	4,172	17,976	16,119
Network Expense & IT Outsourcing Cost	26,514	27,942	23,886	106,653	92,778
License Fees and Spectrum Usage Charges	8,935	9,814	10,995	40,515	41,508
Roaming & Access Charges	9,424	9,984	11,694	42,754	46,653
Subscriber Acquisition & Servicing Expenditure & Advertisement and Business Promotion Expenditure	8,252	9,480	8,286	34,859	33,532
Depreciation & Amortisation	19,885	19,653	18,777	78,272	62,561
Administration and other expenses	1,783	3,226	2,297	9,959	8,939
<b>TOTAL EXPENDITURE</b>	<b>79,181</b>	<b>84,626</b>	<b>80,218</b>	<b>331,267</b>	<b>302,379</b>
<b>PROFIT BEFORE FINANCE CHARGES AND TAX</b>	<b>2,764</b>	<b>2,438</b>	<b>14,789</b>	<b>27,560</b>	<b>59,246</b>
Finance Charges	10,816	9,669	8,995	40,411	20,962
<b>PROFIT / (LOSS) BEFORE TAX AND SHARE IN PROFIT / (LOSS) OF JOINT VENTURE AND ASSOCIATE</b>	<b>(8,052)</b>	<b>(7,231)</b>	<b>5,794</b>	<b>(12,851)</b>	<b>38,284</b>
Add: Share in Profit / (Loss) of Joint Venture and Associate	983	1,143	1,165	4,218	4,217
<b>PROFIT / (LOSS) BEFORE TAX</b>	<b>(7,069)</b>	<b>(6,088)</b>	<b>6,959</b>	<b>(8,633)</b>	<b>42,501</b>
Provision for Taxation (Net of MAT credit)	(3,792)	(2,248)	2,442	(4,636)	15,220
<b>NET PROFIT / (LOSS) AFTER TAX</b>	<b>(3,277)</b>	<b>(3,840)</b>	<b>4,517</b>	<b>(3,997)</b>	<b>27,281</b>
Add: Other comprehensive income / (loss), net of tax	21	(17)	(25)	(43)	(139)
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>	<b>(3,256)</b>	<b>(3,857)</b>	<b>4,492</b>	<b>(4,040)</b>	<b>27,142</b>
Paid up Equity Share Capital (Face value ₹ 10 per share)				36,053	36,005
Reserves excluding Revaluation Reserve				211,269	199,500
Earnings Per Share for the period (₹)					
- Basic	(0.93)	(1.09)	1.22	(1.23)	7.42
- Diluted	(0.93)	(1.09)	1.21	(1.23)	7.40
Debenture Redemption Reserve				1,317	483
Network				247,322	235,505
<b>Debt Service Coverage Ratio (DSCR) *</b>				1.99	1.82
<b>Interest Service Coverage Ratio (ISCR) **</b>				2.63	2.77
<b>Debt - Equity Ratio ***</b>				2.23	1.72

\* DSCR=Profit after Tax + Depreciation & Amortisation + Gross Finance Costs (excluding fair value gains / losses on derivatives) / (Gross Finance Costs (excluding fair value gains / losses on derivatives) + interest capitalised + scheduled long term principal repayments excluding prepayments)

\*\* ISCR=Profit after Tax + Depreciation & Amortisation + Gross Finance Costs (excluding fair value gains / losses on derivatives) / (Gross Finance Costs (excluding fair value gains / losses on derivatives) + interest capitalised)

\*\*\* Debt - Equity Ratio = Debt / Equity



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IDEA CELLULAR LIMITED

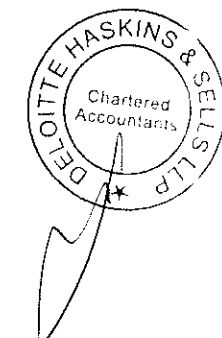
Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976  
Audited Consolidated Financial Results for the quarter and year ended 31-March-2017



Segmental Reporting

₹ Mn

Particulars	Quarter Ended			Year Ended	
	31-Mar-17 Audited (refer note 12)	31-Dec-16 Unaudited	31-Mar-16 Audited (refer note 12)	31-Mar-17 Audited	31-Mar-16 Audited
<b>Segment Revenue</b>					
Revenue from Operations from each segment					
Mobility	79,556	84,720	93,323	348,788	353,630
International Long Distance	1,589	1,795	2,083	7,510	8,403
Passive Infrastructure	2,602	2,511	633	7,586	2,423
<b>Total</b>	<b>83,747</b>	<b>89,026</b>	<b>96,039</b>	<b>363,884</b>	<b>364,456</b>
Less: Inter Segment Eliminations	(2,486)	(2,399)	(1,255)	(8,126)	(4,962)
<b>Revenue from Operations</b>	<b>81,261</b>	<b>86,627</b>	<b>94,784</b>	<b>355,758</b>	<b>359,494</b>
<b>Segment Results</b>					
Profit from Operations before Other Income, Finance Charges and Tax from each segment					
Mobility	1,563	1,553	14,254	22,760	55,710
International Long Distance	65	85	115	522	769
Passive Infrastructure	452	363	197	1,209	636
<b>Profit from Operations before Other Income, Finance Charges and Tax</b>	<b>2,080</b>	<b>2,001</b>	<b>14,566</b>	<b>24,491</b>	<b>57,115</b>
Add: Unallocable Income	684	437	223	3,069	2,131
Less: Finance Charges	(10,816)	(9,669)	(8,995)	(40,411)	(20,962)
<b>Profit before Tax and share in profit / (loss) of Joint Venture and Associate</b>	<b>(8,052)</b>	<b>(7,231)</b>	<b>5,794</b>	<b>(12,851)</b>	<b>38,284</b>
<b>Segment Assets</b>					
Mobility	877,084	864,621	744,450	877,084	744,450
International Long Distance	975	1,024	1,476	975	1,476
Passive Infrastructure	23,165	28,224	23,660	23,165	23,660
Unallocated	67,078	28,468	33,168	67,078	33,168
<b>Gross Assets</b>	<b>968,302</b>	<b>922,337</b>	<b>802,754</b>	<b>968,302</b>	<b>802,754</b>
Less: Inter Segment Eliminations	(1,255)	(1,257)	(1,499)	(1,255)	(1,499)
<b>Total Assets</b>	<b>967,047</b>	<b>921,080</b>	<b>801,255</b>	<b>967,047</b>	<b>801,255</b>
<b>Segment Liabilities</b>					
Mobility	703,837	669,295	544,729	703,837	544,729
International Long Distance	480	594	740	480	740
Passive Infrastructure	3,050	2,910	1,442	3,050	1,442
Unallocated	13,613	17,342	20,338	13,613	20,338
<b>Gross Liabilities</b>	<b>720,980</b>	<b>690,141</b>	<b>567,249</b>	<b>720,980</b>	<b>567,249</b>
Less: Inter Segment Eliminations	(1,255)	(1,257)	(1,499)	(1,255)	(1,499)
<b>Total Liabilities</b>	<b>719,725</b>	<b>688,884</b>	<b>565,750</b>	<b>719,725</b>	<b>565,750</b>



**Notes**

- The above audited 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 13<sup>th</sup> May 2017.
- The Company has adopted Indian Accounting Standards (Ind AS) from 1<sup>st</sup> April 2016 with a transition date of 1<sup>st</sup> April 2015. The consolidated financial results have been prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The consolidated financial results for the quarter and year ended 31<sup>st</sup> March 2016 are also Ind AS compliant.
- The format for audited quarterly results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30<sup>th</sup> November 2015 has been modified to comply with requirements of SEBI's circular dated 5<sup>th</sup> July 2016, Ind AS and Schedule III to the Companies Act, 2013.
- Reconciliation of Net Profit for the quarter and year ended 31<sup>st</sup> March 2016 as previously reported (referred to as IGAAP) vis-à-vis Ind AS is as below:

Particulars	Amount ( ₹ Mn)	
	Quarter ended 31-Mar-16	Year ended 31-Mar-16
Net Profit as per IGAAP	5,756	30,799
Effects of measuring financial instruments at fair value through profit & loss	(1,240)	(2,956)
Effects of inflation linked escalation on rental income / expense not requiring equalization over the lease term, hence reversed	183	824
Effects of measuring ESOP charge at Fair Value	(60)	(297)
Others	(56)	(115)
Deferred Tax impact on above changes	132	(257)
Deferred tax on undistributed earnings of Joint Venture	(198)	(717)
Net Profit as per Ind AS	4,517	27,281
Other Comprehensive Income	(25)	(139)
Total Comprehensive Income as per Ind AS	4,492	27,142

- Reconciliation of Equity as on 31<sup>st</sup> March 2016 as previously reported (referred to as IGAAP) vis-à-vis Ind AS is as below:

Particulars	₹ Mn
	As on 31-Mar-16
Total Equity as per IGAAP (Shareholders' funds)	257,675
Effects of measuring financial instruments at fair value through profit & loss	(25,888)
Effects of inflation linked escalation on rental income / expense not requiring equalization over the lease term, hence reversed	5,811
Dividends (including dividend distribution tax) not recognised as liability until declared under Ind AS	2,600
Others	(91)
Deferred Tax impact on above changes	(2,984)
Effects on Group's share of Indus Equity on transition to Ind AS	(1,555)
Deferred tax on undistributed earnings of Joint Venture (net of reversal of dividend distribution tax on payment of dividend)	(63)
Total Equity as per Ind AS	235,505

- On 8<sup>th</sup> 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 1<sup>st</sup> July 2008 to 31<sup>st</sup> December 2012, amounting to ₹ 3,691 Mn, and
  - for spectrum beyond 4.4 Mhz in respective service areas effective 1<sup>st</sup> January 2013 till expiry of the period as per respective licenses, amounting to ₹ 17,444 Mn.

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.



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7. The listed Non-Convertible Debentures (NCD's) aggregating to ₹ 3,960 Mn have a pari-passu charge on the tangible fixed assets of the company excluding passive telecom infrastructure.

The listed NCD's aggregating to ₹ 10,000 Mn issued during the year have a pari-passu charge on movable fixed assets of the company excluding Spectrum and Telecom Licenses, Vehicles and Passive Telecom Infrastructure.

Additional details required with regards to the listed secured and unsecured NCD's are as follows:

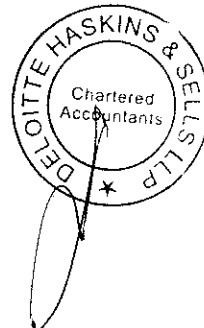
Sl. No.	Particulars	Principal Amount (₹ Mn)	Previous Due Date		Next Due Date	
			Principal	Interest	Principal	Interest
1	Secured 9.45% NCD's	3,960	N.A	1-Nov-16	31-Oct-19	31-Oct-17
2	Secured 8.12% NCD's	10,000	N.A	N.A	8-Feb-24	8-Feb-18
3	Unsecured 7.57% NCD's	15,000	N.A	N.A	13-Dec-21	13-Dec-17
4	Unsecured 7.77% NCD's	10,000	N.A	N.A	4-Jan-22	4-Jan-18
5	Unsecured 7.77% NCD's	5,000	N.A	N.A	17-Jan-22	17-Jan-18
6	Unsecured 8.04% NCD's	20,000	N.A	N.A	27-Jan-22	27-Jan-18
7	Unsecured 8.03% NCD's	5,000	N.A	N.A	31-Jan-22	31-Jan-18
8	Unsecured 8.03% NCD's	5,000	N.A	N.A	14-Feb-22	14-Feb-18

Interest has been paid on the respective due dates and the principal is not yet due.

8. The Company retained its domestic credit rating of "CARE AA+" from CARE and its 8.12% NCD issue has been rated as "BWRAA+" with "Stable" outlook by Brickwork.
9. During the quarter, the Company has launched its 4G LTE services in the eight service areas of Assam, Bihar, Gujarat, Rajasthan, Uttar Pradesh (East), Uttar Pradesh (West), West Bengal and Jammu & Kashmir. The Company has also launched its 3G services in two service areas of Bihar and Rajasthan.
10. Audited financial results of Idea Cellular Limited (Standalone) :-

₹ Mn

Particulars	Quarter ended			Year ended	
	31-Mar-17 Audited (Refer Note12)	31-Dec-16 Unaudited	31-Mar-16 Audited (Refer Note12)	31-Mar-17 Audited	31-Mar-16 Audited
Revenue from Operations	80,316	85,724	94,355	352,786	358,037
Profit / (Loss) before Tax	(8,526)	(7,502)	6,454	(14,190)	40,709
Net Profit / (Loss) after Tax	(4,564)	(4,923)	4,281	(8,311)	26,463



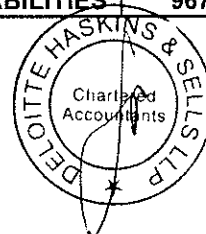


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## 11. Statement of Assets and Liabilities :-

₹ Mn

Particulars	As at 31-Mar-17 Audited	As at 31-Mar-16 Audited
<b>A ASSETS</b>		
<b>1 Non-current Assets</b>		
Property, Plant and Equipment	228,443	211,761
Capital work-in-progress	13,303	6,623
Goodwill on consolidation	61	61
Intangible assets	539,128	440,079
Intangible assets under development	62,048	53,775
Financial Assets		
Non-current investments	14,785	21,404
Long term loans to employees	26	25
Others	4,865	8,965
Deferred Tax Assets	369	-
Other non-financial assets	27,694	13,593
<b>Sub-total Non-current assets</b>	<b>890,722</b>	<b>756,286</b>
<b>2 Current Assets</b>		
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
Current portion of loans to employees	21	17
Others	399	921
Current tax assets (Net)	25	56
Other non-financial assets	12,312	10,335
	<b>76,309</b>	<b>44,814</b>
Non-Current assets classified as held for sale	16	155
<b>Sub-total current assets</b>	<b>76,325</b>	<b>44,969</b>
<b>TOTAL – ASSETS</b>	<b>967,047</b>	<b>801,255</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
Equity share capital	36,053	36,005
Other equity	211,269	199,500
<b>Sub-total Equity</b>	<b>247,322</b>	<b>235,505</b>
<b>2 Non-Current Liabilities</b>		
Financial liabilities		
Long term borrowings	516,378	359,040
Others	10,382	23,722
Long term provisions	3,842	3,454
Deferred tax liabilities	13,587	19,539
Other non-financial liabilities	4,921	4,108
<b>Sub-total non-current liabilities</b>	<b>549,110</b>	<b>409,863</b>
<b>3 Current Liabilities</b>		
Financial liabilities		
Short term borrowings	347	16,456
Trade payable	40,777	32,471
Others	102,560	82,540
Other non-financial liabilities	26,732	23,494
Short term provisions	199	926
<b>Sub-total current liabilities</b>	<b>170,615</b>	<b>155,887</b>
<b>TOTAL – EQUITY AND LIABILITIES</b>	<b>967,047</b>	<b>801,255</b>



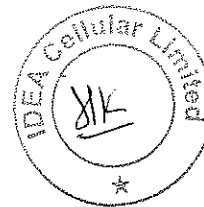
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12. The financial results for the quarters ended 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016 respectively are balancing figures between audited results for the full financial year and the published year to date figures upto the third quarter of the respective financial years.

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

*Himanshu Kapania*  
**Himanshu Kapania**  
**Managing Director**

**Date : 13<sup>th</sup> May 2017**  
**Place : Mumbai**



**INDEPENDENT AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF  
IDEA CELLULAR LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **IDEA CELLULAR LIMITED** ("the Company"), for the year ended March 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and



- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Company for the year ended March 31, 2017.
4. We draw attention to Note 6 of the Statement which describes the uncertainties related to the legal outcome in respect of the Department of Telecommunications (DoT) demand notices for one time spectrum charges. Our opinion is not qualified in respect of this matter.
5. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

  
**Hemant M. Joshi  
(Partner)  
(Membership No: 38019)**

**Place: Mumbai  
Date: 13<sup>th</sup> May 2017**

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**IDEA CELLULAR LIMITED**  
 Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976  
**Audited Financial Results for the quarter and year ended 31-March-2017**

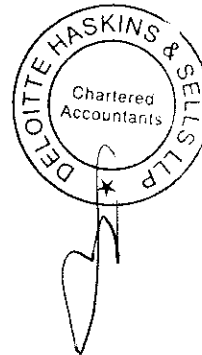
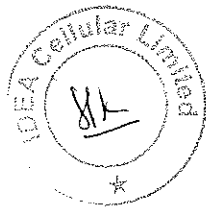
(₹ Mn, except per share data)

Particulars	Quarter ended			Year ended	
	31-Mar-17 Audited (refer Note 11)	31-Dec-16 Unaudited	31-Mar-16 Audited (refer Note 11)	31-Mar-17 Audited	31-Mar-16 Audited
Net Sales / Income from Operations	80,153	85,705	94,166	352,565	357,725
Other Operating Income	163	19	189	221	312
<b>REVENUE FROM OPERATIONS</b>	<b>80,316</b>	<b>85,724</b>	<b>94,355</b>	<b>352,786</b>	<b>358,037</b>
Other Income	488	357	124	1,971	1,773
<b>TOTAL REVENUE</b>	<b>80,804</b>	<b>86,081</b>	<b>94,479</b>	<b>354,757</b>	<b>359,810</b>
Employee benefit expenses	3,926	4,058	3,782	16,256	14,735
Network Expense & IT Outsourcing Cost	26,613	27,926	23,845	106,649	92,656
License Fees and Spectrum Usage Charges	8,935	9,814	10,995	40,515	41,508
Roaming & Access Charges	9,424	9,984	11,694	42,754	46,653
Subscriber Acquisition & Servicing Expenditure & Advertisement and Business Promotion Expenditure	8,456	9,759	8,585	35,996	34,853
Depreciation & Amortisation	19,450	19,219	18,698	77,000	62,232
Administration and other expenses	1,710	3,158	2,228	9,668	8,686
<b>TOTAL EXPENDITURE</b>	<b>78,514</b>	<b>83,918</b>	<b>79,827</b>	<b>328,838</b>	<b>301,323</b>
<b>PROFIT BEFORE FINANCE CHARGES AND TAX</b>	<b>2,290</b>	<b>2,163</b>	<b>14,652</b>	<b>25,919</b>	<b>58,487</b>
Finance Charges	10,816	9,665	8,198	40,109	17,778
<b>PROFIT / (LOSS) BEFORE TAX</b>	<b>(8,526)</b>	<b>(7,502)</b>	<b>6,454</b>	<b>(14,190)</b>	<b>40,709</b>
Provision for Taxation (Net of MAT credit)	(3,962)	(2,579)	2,173	(5,879)	14,246
<b>NET PROFIT / (LOSS) AFTER TAX</b>	<b>(4,564)</b>	<b>(4,923)</b>	<b>4,281</b>	<b>(8,311)</b>	<b>26,463</b>
Add: Other comprehensive income, net of tax	15	(16)	(26)	(32)	(134)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(4,549)</b>	<b>(4,939)</b>	<b>4,255</b>	<b>(8,343)</b>	<b>26,329</b>
Paid up Equity Share Capital (Face value ₹ 10 per share)				36,053	36,005
Reserves excluding Revaluation Reserve				201,185	211,647
Earnings Per Share for the period (₹)					
- Basic	(1.27)	(1.37)	1.19	(2.31)	7.35
- Diluted	(1.27)	(1.37)	1.19	(2.31)	7.33
Debenture Redemption Reserve				1,317	483
Network				237,238	247,652
<b>Debt Service Coverage Ratio (DSCR) *</b>				1.88	1.85
<b>Interest Service Coverage Ratio (ISCR) **</b>				2.50	2.89
<b>Debt - Equity Ratio ***</b>				2.32	1.64

\* DSCR=Profit after Tax + Depreciation & Amortisation + Gross Finance Costs (excluding fair value gains / losses on derivatives) / (Gross Finance Costs (excluding fair value gains / losses on derivatives) + interest capitalised + scheduled long term principal repayments excluding prepayments)

\*\* ISCR=Profit after Tax + Depreciation & Amortisation + Gross Finance Costs (excluding fair value gains / losses on derivatives) / (Gross Finance Costs (excluding fair value gains / losses on derivatives) + interest capitalised)

\*\*\* Debt - Equity Ratio = Debt / Equity



**Notes**

- The above audited 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 13<sup>th</sup> May 2017.
- The Company has adopted Indian Accounting Standards (Ind AS) from 1<sup>st</sup> April 2016 with a transition date of 1<sup>st</sup> April 2015. The financial results have been prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial results for the quarter and year ended 31<sup>st</sup> March 2016 are also Ind AS compliant.
- The format for audited quarterly results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30<sup>th</sup> November 2015 has been modified to comply with requirements of SEBI's circular dated 5<sup>th</sup> July 2016, Ind AS and Schedule III to the Companies Act, 2013.
- Reconciliation of Net Profit for the quarter and year ended 31<sup>st</sup> March 2016 as previously reported (referred to as IGAAP) vis-à-vis Ind AS is as below:

Particulars	Amount ( ₹ Mn)	
	Quarter ended 31-Mar-16	Year ended 31-Mar-16
Net Profit as per IGAAP	4,566	26,167
Effects of measuring financial instruments at fair value through profit & loss	(447)	243
Effects of inflation linked escalation on rental income / expense not requiring equalization over the lease term, hence reversed	211	944
Effects of measuring ESOP charge at Fair Value	(59)	(296)
Others	(110)	(285)
Deferred Tax impact on above changes	120	(310)
Net Profit as per Ind AS	4,281	26,463
Other Comprehensive Income	(26)	(134)
Total Comprehensive Income as per Ind AS	4,255	26,329

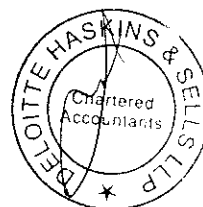
- Reconciliation of Equity as on 31<sup>st</sup> March 2016 as previously reported (referred to as IGAAP) vis-à-vis Ind AS is as below:

Particulars	₹ Mn
	As on 31-Mar-16
Total Equity as per IGAAP (Shareholders' funds)	242,959
Effects of measuring financial instruments at fair value through profit & loss	2,903
Effects of inflation linked escalation on rental income / expense not requiring equalization over the lease term, hence reversed	6,024
Dividends (including dividend distribution tax) not recognised as liability until declared under Ind AS	2,600
Others*	(40)
Deferred Tax impact on above changes	(6,794)
Total Equity as per Ind AS	247,652

\*Includes Share based payments at fair value issued to Subsidiaries

- On 8<sup>th</sup> 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 1<sup>st</sup> July 2008 to 31<sup>st</sup> December 2012, amounting to ₹ 3,691 Mn, and
  - for spectrum beyond 4.4 Mhz in respective service areas effective 1<sup>st</sup> January 2013 till expiry of the period as per respective licenses, amounting to ₹ 17,444 Mn.

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.

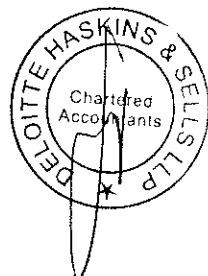


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7. Statement of Assets and Liabilities :-

₹ Mn

Particulars	As at 31-Mar-17 Audited	As at 31-Mar-16 Audited
<b>A ASSETS</b>		
<b>1 Non-current Assets</b>		
Property, Plant and Equipment	221,885	209,634
Capital work-in-progress	13,244	6,613
Intangible assets	539,365	440,079
Intangible assets under development	62,048	53,775
Financial Assets		
Non-current investments	22,266	16,669
Long term loans to employees	26	25
Others	5,079	9,107
Other non-financial assets	27,497	12,892
<b>Sub-total Non-current assets</b>	<b>891,410</b>	<b>748,794</b>
<b>2 Current Assets</b>		
Inventories	542	851
Financial Assets		
Current investments	40,247	8,328
Trade receivables	12,581	11,361
Cash and cash equivalents	269	7,515
Bank balance other than cash and cash equivalents	44	61
Current portion of loans to employees	21	17
Others	403	918
Current tax assets (Net)	-	-
Other non-financial assets	12,091	8,552
	<b>66,198</b>	<b>37,603</b>
Non-Current assets classified as held for sale	16	155
<b>Sub-total current assets</b>	<b>66,214</b>	<b>37,758</b>
<b>TOTAL – ASSETS</b>	<b>957,624</b>	<b>786,552</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
Equity share capital	36,053	36,005
Other equity	201,185	211,647
<b>Sub-total Equity</b>	<b>237,238</b>	<b>247,652</b>
<b>2 Non-Current Liabilities</b>		
Financial liabilities		
Long term borrowings	516,378	359,040
Others	10,034	23,590
Long term provisions	3,311	3,353
Deferred tax liabilities	16,791	22,357
Other non-financial liabilities	4,908	4,095
<b>Sub-total non-current liabilities</b>	<b>551,422</b>	<b>412,435</b>
<b>3 Current Liabilities</b>		
Financial liabilities		
Short term borrowings	337	16,456
Trade payable	39,921	32,039
Others	102,295	53,722
Other non-financial liabilities	26,250	23,332
Short term provisions	161	916
<b>Sub-total current liabilities</b>	<b>168,964</b>	<b>126,465</b>
<b>TOTAL – EQUITY AND LIABILITIES</b>	<b>957,624</b>	<b>786,552</b>



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8. The listed Non-Convertible Debentures (NCD's) aggregating to ₹ 3,960 Mn have a pari-passu charge on the tangible fixed assets of the company excluding passive telecom infrastructure.

The listed NCD's aggregating to ₹ 10,000 Mn issued during the year have a pari-passu charge on movable fixed assets of the company excluding Spectrum and Telecom Licenses, Vehicles and Passive Telecom Infrastructure.

Additional details required with regards to the listed secured and unsecured NCD's are as follows:

Sl. No.	Particulars	Principal Amount (₹ Mn)	Previous Due Date		Next Due Date	
			Principal	Interest	Principal	Interest
1	Secured 9.45% NCD's	3,960	N.A	1-Nov-16	31-Oct-19	31-Oct-17
2	Secured 8.12% NCD's	10,000	N.A	N.A	8-Feb-24	8-Feb-18
3	Unsecured 7.57% NCD's	15,000	N.A	N.A	13-Dec-21	13-Dec-17
4	Unsecured 7.77% NCD's	10,000	N.A	N.A	4-Jan-22	4-Jan-18
5	Unsecured 7.77% NCD's	5,000	N.A	N.A	17-Jan-22	17-Jan-18
6	Unsecured 8.04% NCD's	20,000	N.A	N.A	27-Jan-22	27-Jan-18
7	Unsecured 8.03% NCD's	5,000	N.A	N.A	31-Jan-22	31-Jan-18
8	Unsecured 8.03% NCD's	5,000	N.A	N.A	14-Feb-22	14-Feb-18

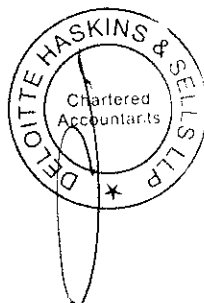
Interest has been paid on the respective due dates and the principal is not yet due.

9. The Company retained its domestic credit rating of "CARE AA+" from CARE and its 8.12% NCD issue has been rated as "BWRAA+" with "Stable" outlook by Brickwork.
10. During the quarter, the Company has launched its 4G LTE services in the eight service areas of Assam, Bihar, Gujarat, Rajasthan, Uttar Pradesh (East), Uttar Pradesh (West), West Bengal and Jammu & Kashmir. The Company has also launched its 3G services in two service areas of Bihar and Rajasthan.
11. The financial results for the quarters ended 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016 respectively are balancing figures between audited results for the full financial year and the published year to date figures upto the third quarter of the respective financial years.
12. In line with the requirements of Ind AS 108 and Listing Obligation and Disclosure Requirements Regulations - 2015 (LODR) on disclosure of segment information, the Company has opted to disclose segment information only in the Consolidated financial results.

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

*Himanshu Kapania*  
Himanshu Kapania  
Managing Director

Date : 13<sup>th</sup> May 2017  
Place : Mumbai







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: Declaration pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2016.**

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

I, Akshaya Moondra, Whole Time Director & Chief Financial Officer of Idea Cellular Limited ('the Company') hereby declare that, the Statutory Auditors of the Company, M/s. Deloitte Haskins and Sells LLP (Firm Registration No. 117366WW-100018) have issued an Audit Report with unmodified opinion on Audited Financial Results of the Company (Standalone & Consolidated) for the quarter and year ended on 31<sup>st</sup> March, 2017.

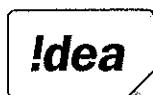
This Declaration is given in compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2016, vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Kindly take this declaration on your records.

Yours truly,  
For **Idea Cellular Limited**

**Akshaya Moondra**  
Whole Time Director & Chief Financial Officer





ADITYA BIRLA GROUP

## Media Release

Mumbai – May 13, 2017

Idea Cellular announces audited Ind AS results for the Fourth Quarter (Q4) and Year ended March 31, 2017

### Highlights Standalone<sup>1</sup> Results -

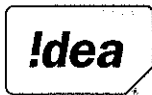
- Revenue - Rs.81,261 million, EBITDA - Rs.21,965 million, PAT - Rs.-4,300 million

	INR million				
	Q4FY17	Q3FY17	FY17	FY16	YoY Change
Revenue - Established Service Areas <sup>3</sup>	75,260	80,163	329,586	335,583	-1.8%
Revenue - New Service Areas <sup>4</sup>	6,002	6,464	26,171	23,911	9.5%
<b>Total Revenue</b>	<b>81,261</b>	<b>86,627</b>	<b>355,757</b>	<b>359,494</b>	<b>-1.0%</b>
EBITDA - Established Service Areas <sup>3</sup>	23,151	23,283	108,141	125,910	-14.1%
EBITDA - New Service Areas <sup>4</sup>	-1,186	-1,628	-5,378	-6,235	13.7%
<b>Total EBITDA</b>	<b>21,965</b>	<b>21,655</b>	<b>102,763</b>	<b>119,675</b>	<b>-14.1%</b>
EBITDA% - Established Service Areas <sup>3</sup>	30.8%	29.0%	32.8%	37.5%	-4.7%
EBITDA% - New Service Areas <sup>4</sup>	-19.8%	-25.2%	-20.5%	-26.1%	5.5%
<b>EBITDA%</b>	<b>27.0%</b>	<b>25.0%</b>	<b>28.9%</b>	<b>33.3%</b>	<b>-4.4%</b>
Depreciation & Amortisation	19,885	19,653	78,272	62,561	25.1%
EBIT	2,080	2,002	24,491	57,114	-57.1%
Interest and Financing Cost (Net)	10,132	9,232	37,341	18,830	98.3%
Dividend from Indus	-	-	3,623	-	
PBT	-8,052	-7,230	-9,228	38,284	-124.1%
<b>PAT (Standalone<sup>1</sup>)</b>	<b>-4,300</b>	<b>-4,789</b>	<b>-4,075</b>	<b>23,781</b>	<b>-117.1%</b>
<b>Cash Profit<sup>5</sup> (Standalone)</b>	<b>12,494</b>	<b>12,276</b>	<b>69,386</b>	<b>99,011</b>	<b>-29.9%</b>
Share of Profit from Indus & ABIPBL	983	1,143	4,218	4,217	0.0%
Deferred Tax on Undistributed earnings of Indus	-41	193	518	717	27.8%
Other Comprehensive Income (net of Tax)	21	-17	-43	-139	68.7%
<b>Total Comprehensive Income (Consolidated<sup>2</sup>)</b>	<b>-3,256</b>	<b>-3,856</b>	<b>-4,040</b>	<b>27,142</b>	<b>-114.9%</b>

### 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.

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### 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).



ADITYA BIRLA GROUP

In spite 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. 4,040 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 20<sup>th</sup> 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.

### Notes:

1. Idea Standalone represents Idea, and its 100% subsidiaries. Effectively, this encompasses all operations, excluding Indus Towers (Indus) and Aditya Birla Idea Payments Bank Limited (ABIPBL).
2. Idea Consolidated represents Idea Standalone and proportionate consolidation of Indus and Payments Bank at PAT level.
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 (excluding MAT), 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 18.7% (Q3FY17). 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.

ADITYA BIRLA



IDEA Cellular

22/23

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: Compliance with Regulation 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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

Further to our letter of even date, in connection with Audited Financial Results (standalone and consolidated) for the quarter / year ended March 31, 2017, we are enclosing herewith a certificate pursuant to Regulation 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by IDBI Trusteeship Services Limited, Debenture Trustee for the Non-Convertible Debentures listed on WDM segment.

The above is for your information and dissemination to the members.

Thanking you,

Yours truly,

For Idea Cellular Limited

**Pankaj Kapdeo**  
Company Secretary



Encl: As above



**IDBI Trusteeship Services Ltd**

CIN : U65991MH2001GOI131154



23/23

Ref. No. 1164/ITSL/ OPR/17-18  
May 13<sup>th</sup>, 2017

To,

The Company Secretary  
IDEA Cellular Limited  
5th floor "Windsor", Off C.S.T Road,  
Kalina, Santacruz (East),  
Mumbai-400 085.

Kind Attn: Mr. Pankaj Kapdeo

Dear Sir,

**Subject: Certificate u/r 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for Rs. 1000 Crores Debentures issued by IDEA Cellular Limited, for the half year ended March 31<sup>st</sup>, 2017.**

We are acting as Debenture Trustee for the Secured, Redeemable Non-Convertible Debentures aggregating to Rs. 1000 Crores issued by IDEA Cellular Limited ("The Company").

In terms of the provisions of Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, ('Regulations') we certify that we have taken note of the disclosures made by the Company in the letter enclosed hereto, under Regulation 52(4), without verification.

Thanking you.

Yours faithfully,

IDBI Trusteeship Services Limited

  
Authorized Signatory

Encl. As above