



# IDEA CELLULAR LIMITED

## INVESTOR PRESENTATION

# Disclaimer



This presentation does not constitute a prospectus, offering circular or offering memorandum or an offer, or a solicitation of any offer, to purchase or sell any securities. This presentation should not be considered as a recommendation that any investor should subscribe for, or purchase, any securities of Idea Cellular Limited or its subsidiaries or joint venture (together, the “**Company**”) and should not be used as a basis for any investment decision.

The information contained in this presentation is only current as of its date and has not been independently verified. No express or implied representation or warranty is made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this presentation. This presentation contains certain currency exchange rates and the same have been provided only for the convenience of readers. No representation is made that the Rupee amounts actually represent such USD amounts or could have been, or could be, converted into USD at the indicated rates.

None of the Company or any of its affiliates, advisers or representatives accepts any liability whatsoever for any loss howsoever arising from any information presented or contained in this presentation. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this presentation. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the Company.

The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any person of such revision or changes.

These materials are confidential, are being given solely for your information and for your use, and may not be copied, reproduced or redistributed to any other person in any manner. The distribution of this presentation in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this presentation should inform themselves about and observe any such restrictions.

This presentation contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects, and future developments in our sector and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words ‘may’, ‘will’, ‘should’, ‘expects’, ‘plans’, ‘intends’, ‘anticipates’, ‘believes’, ‘estimates’, ‘predicts’, ‘potential’ or ‘continue’ and similar expressions identify forward looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results, performances or events to differ materially from the results contemplated by the relevant forward looking statement. The factors which may affect the results contemplated by the forward looking statements could include, amongst others, future changes or developments in (i) the Company’s business, (ii) the Company’s competitive environment, (iii) telecommunications technology and application, and (iv) political, economic, legal and social conditions in India.

The information contained herein does not constitute an offer of securities for sale in the United States or in any other jurisdiction. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended.

# Idea Cellular



Pan India Pure Play  
Wireless Operator -  
Voice + Data  
(2G+3G\*+4G\*\*)

US\$ 10.6bn  
Enterprise Value <sup>(4)</sup>

No.6 Ranked  
Operator in the  
World by  
Subscribers <sup>(1)</sup>



An Aditya Birla  
Group Company

FY14 Consolidated  
Gross Revenue  
US\$4.2 bn and  
EBITDA US\$ 1.3 bn

No. 3  
Operator in India  
with 17.5% RMS<sup>(2)</sup>

Serving  
Approximately 151  
million subscribers<sup>(3)</sup>

USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

\*3G in 21 service areas including Intra-Circle Roaming arrangements

\*\*Ability to launch 4G services in 8 service areas

<sup>1</sup> Basis Subscribers in Single Country Operations, as per data from GSMA Intelligence as of September 2014.

<sup>2</sup> Revenue Market Share based on TRAI Q3FY15 revenue for UAS and Mobile licenses only.

<sup>3</sup> COAI as of December 31, 2014

<sup>4</sup> As of December 31, 2014

# India Telecom Sector Backdrop



## Growth Drivers

### Voice

- Indian Active subscriber penetration (measured on VLR) at 66.6% (~833 million subscribers)<sup>(1)</sup>
- FY14 Voice Rate and overall ARPM improved after a 5 year declining trend (except FY12). In FY14 Idea ARPM improved by 7.3% over FY13

### Data

- Wireless Internet penetration at 25.3% (235.7 Mn)<sup>(2)</sup> of Total Wireless Subscribers
- Nascent 10.7%\* penetration of 3G subscriber. Idea 3G subscribers – 16.1 million as on December 31, 2014
- Strong mobile data traffic growth – (121.1% y-o-y growth for Idea in Q3FY15 vs Q3FY14)

### Emerging revenue streams

- Mobile Banking & Mobile Commerce
- M2M
- WiFi and LTE

## Competition

- Top 3 operators garnered 72%<sup>(3)</sup> of Indian Mobile revenue market share (“RMS”).
- After prolonged hyper competition phase, declining Competitive Intensity - No. of service area operations<sup>(4)</sup> reduced from 249 in December 2011 to 171 in December 2013. Idea expects to benefit from structural changes in market.
- YoY reduction in subscriber churn % (Idea Q3FY15 churn at 4.2%).
- Feb’14 spectrum auction saw majority of spectrum won by only 4 operators – consolidation trend
- After Etisalat and Bahrain Telecom exit in FY13, NTT DoCoMo in its April’14 press announcement stated that it could exit from Indian mobility market

## Regulatory

- Auction of 353.2 MHz of spectrum in 900 MHz (Metro) and 1800 MHz (pan India) bands concluded in Feb’14. Winners of Feb’14 spectrum auction will hold liberalized spectrum for next 20 years.
- Spectrum Usage Charges for the spectrum won in Feb’14 auction is fixed at 5% of AGR shifted from current escalating slab based charge upto 8%
- New liberalized ‘Merger & Acquisition’ guideline announced
- Policy on ‘Spectrum Trading’ is awaited
- NIA for Auction of Spectrum in 2100MHz, 1800MHz, 900MHz & 800MHz is released on January 09, 2015. Spectrum auction scheduled to start from March 04, 2015

\* Penetration of 3G subscriber to total subscriber base for Idea

# Since Inception, as Idea Grew & Evolved It Re-invented itself Thrice

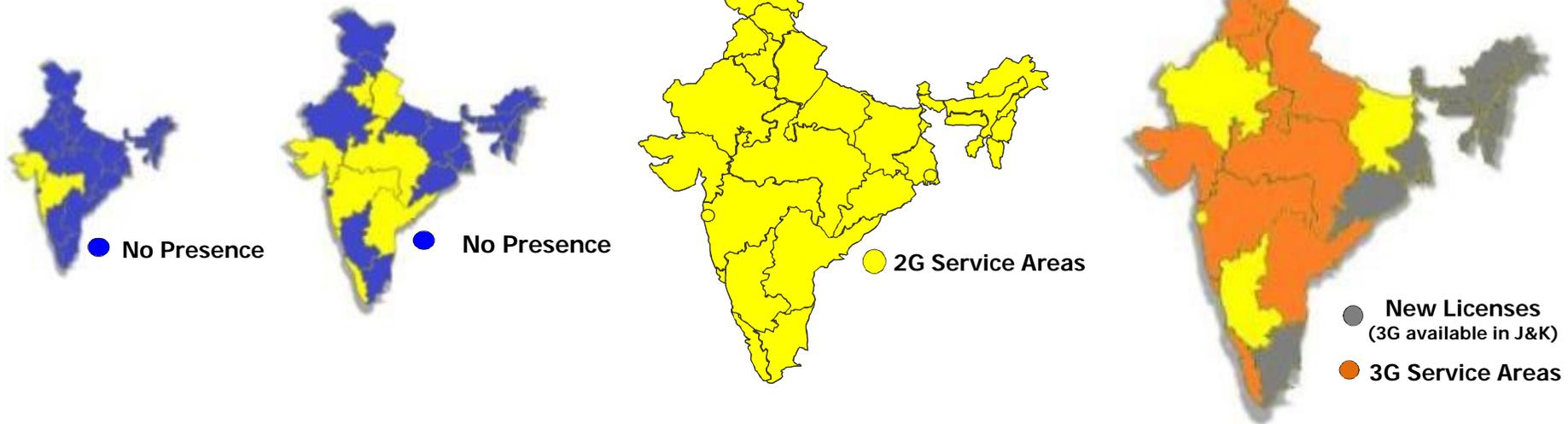


**1997**  
Started with 2  
Service Areas

**1998 – 2005**  
Expanded to 8  
Service Areas  
3-Way JV

**2006 – 2010**  
Became a Pan India  
Mobile Service Provider  
Single Promoter

**2011 – 2014**  
Upgraded Services to 3G &  
added 4G Capability  
From No.3 to  
One Amongst Top 3



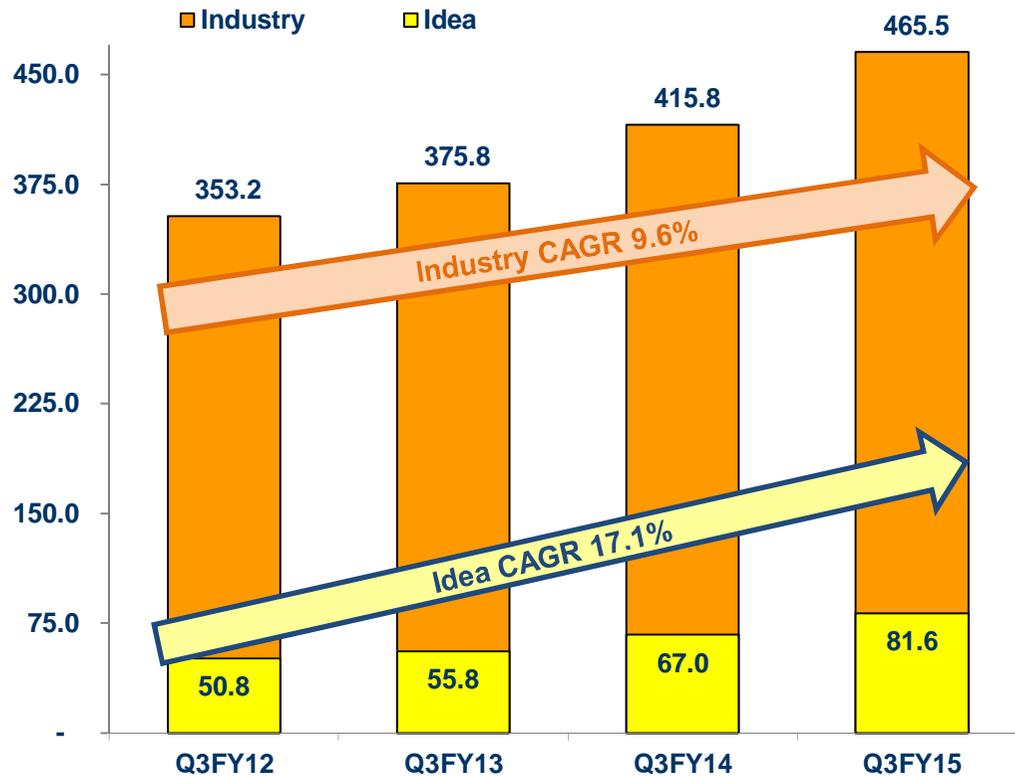
Owns 3G spectrum in 12 LSAs  
Owns spectrum to offer 4G services in 8 LSAs

# Indian Wireless Sector – Revenue Trend



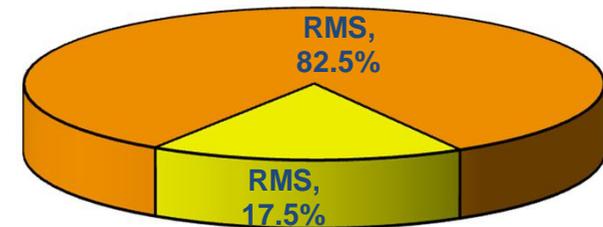
Sector Quarterly Gross Revenue (INR bn)

Idea has grown ~2.0x faster than rest of the industry combined over last 4 years



	In USD mn			
Industry	5,577	5,934	6,565	7,351
Idea	802	881	1,058	1,289

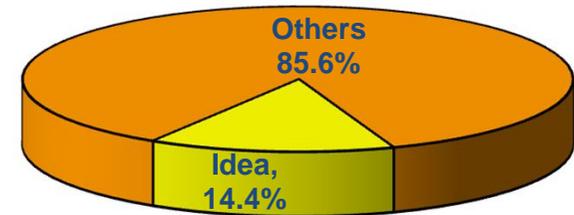
Idea – Steady Revenue Market Share (RMS) improvement



Q3FY15



Incremental RMS 27.4%



Q3FY12

USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

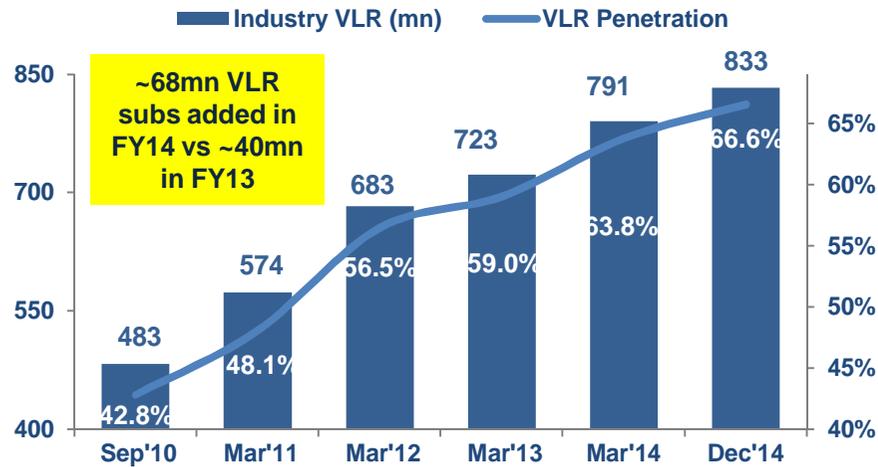
RMS = Revenue Market Share

Source: TRAI revenue for UAS and Mobile licenses only.

# Subscriber Trends



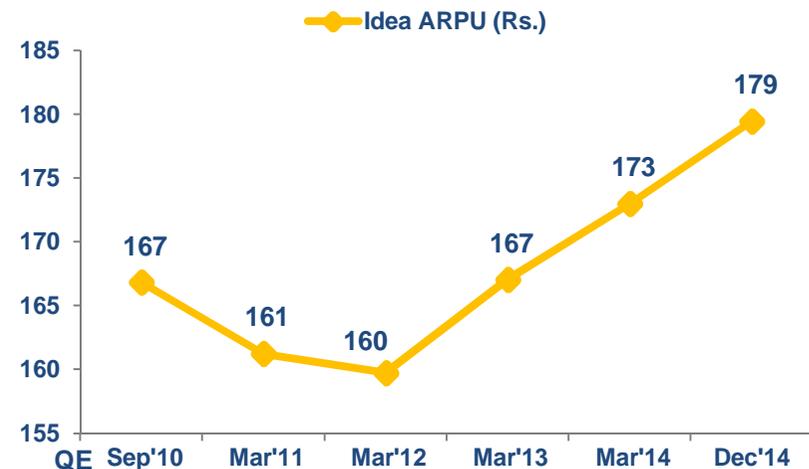
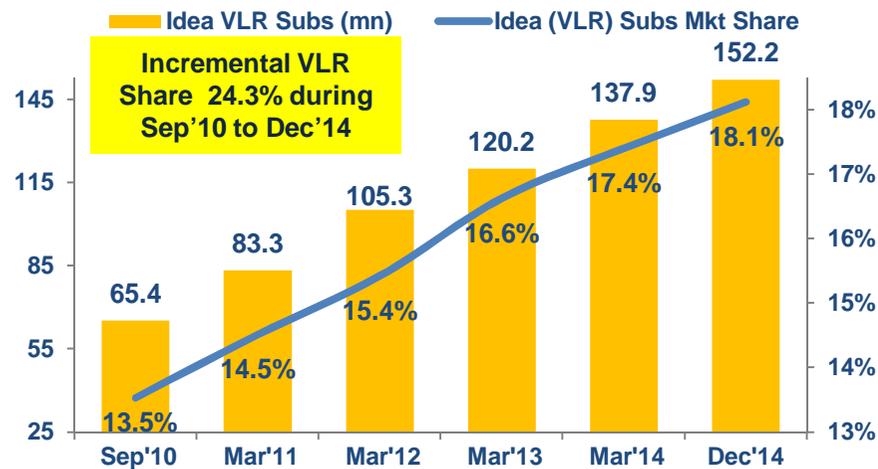
## Industry



### Industry VLR growth revives post Decline in FY13

	FY12	FY13	FY14	YTD Dec'14
Industry EoP VLR (mn)	682.9	723.0	790.9	833.0
Industry Incr. VLR (mn)	109.0	40.1	67.9	42.1
Idea EoP VLR (mn)	105.3	120.2	137.9	152.2
Idea Incr. VLR (mn)	22.0	14.9	17.7	14.3
Idea EoP VLR Market Share	15.4%	16.6%	17.4%	18.3%
Idea Incr. VLR Market Share	20.2%	37.2%	26.0%	33.9%

## IDEA



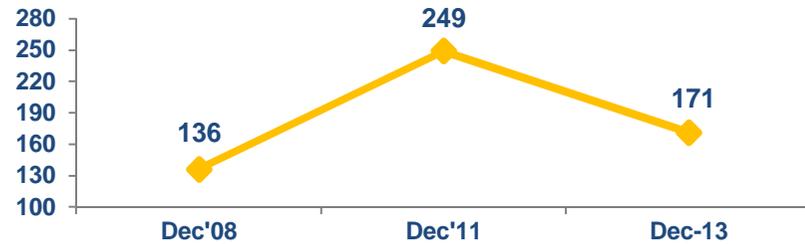
ARPU \$	2.63	2.55	2.52	2.64	2.73	2.83
---------	------	------	------	------	------	------

USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

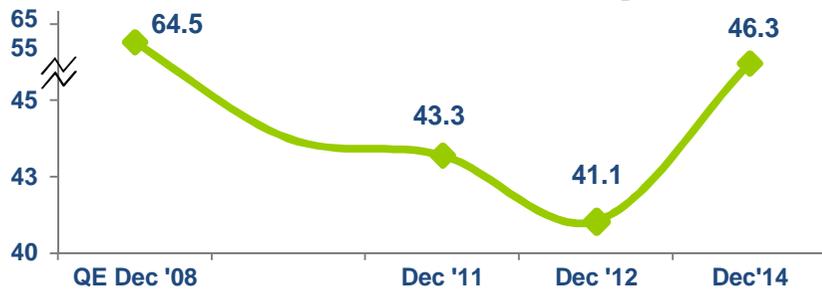
# Declining Competitive Intensity



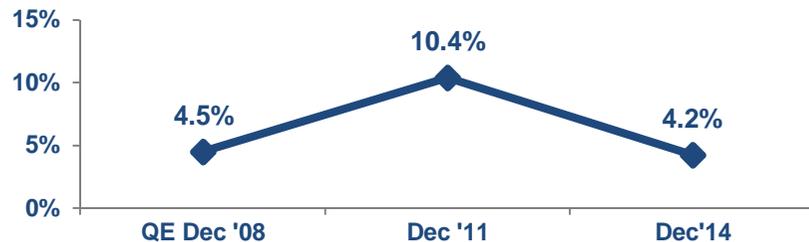
Cumulative Number of Operators in All Service Areas<sup>(1)</sup>



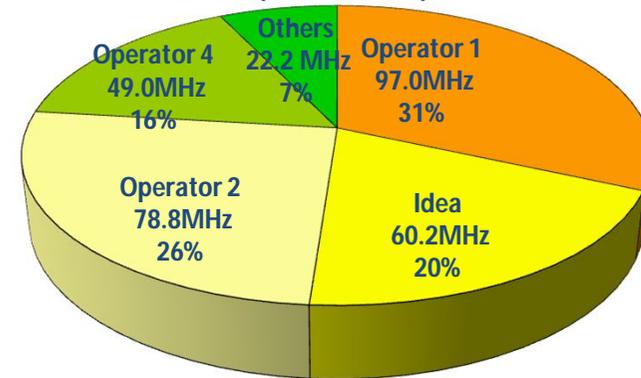
Idea – ARPM (paise) [US Cents 0.73]



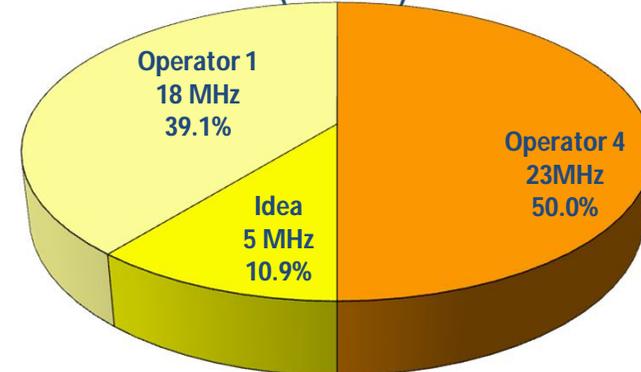
Idea – Churn Per Month<sup>(2)</sup>



Feb '14 Auction – 1800 MHz Spectrum (307.2 MHz)



Feb '14 Auction - 900 MHz Spectrum (46 MHz)



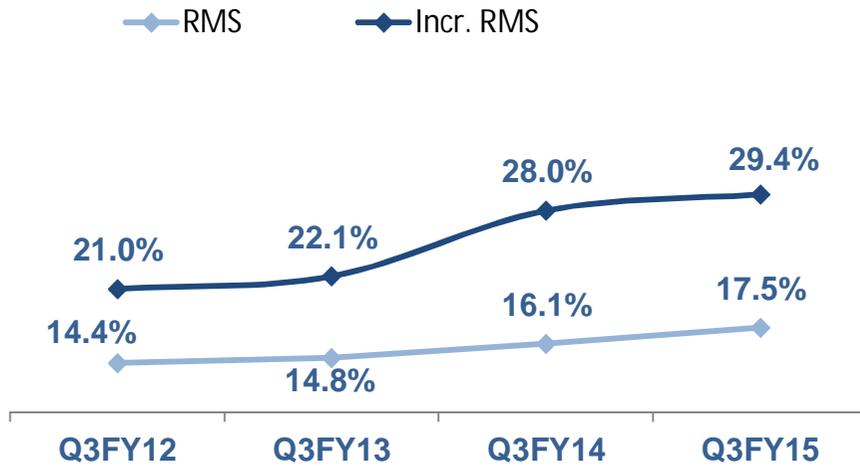
- Post Supreme Court 2012 license cancellation, operators have exited or selectively reduced India presence
- ARPM improvement and lower churn after period of hyper competition – signs of reduced competition

USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

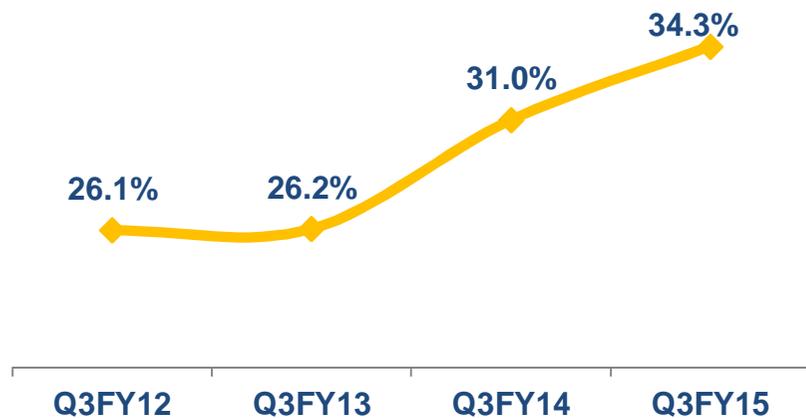
# Idea – An Overview



**Idea has consistently gained Revenue Market Share ...<sup>(1)</sup>**



**... showing EBITDA margin improvement, led by scale benefit**



## Wireless Business

- ✓ A pan India pure wireless play 2G-GSM service provider.
- ✓ Third largest operator in India, by Mobility Revenues and VLR subscribers<sup>(1)</sup>
- ✓ Holds 3G Spectrum (2100 & 900 MHz) in 12 service areas, which covers ~80% of Idea revenues and ~57% of Industry revenue<sup>(1)</sup>, including 900 MHz spectrum won for Delhi in Feb'14 auction.
- ✓ Won LTE (4G -1800 MHz) spectrum for 8 service areas in Feb'14 auction covering ~58% of Idea revenues and ~39% of Industry revenue<sup>(1)</sup>
- ✓ Provides 3G services in 21 service areas, including Intra-Circle Roaming (ICR) arrangement for 10 service areas
- ✓ Voice Minutes Carried ~1.86 billion per day during Q3FY15
- ✓ Expanding NLD, ILD and ISP capabilities

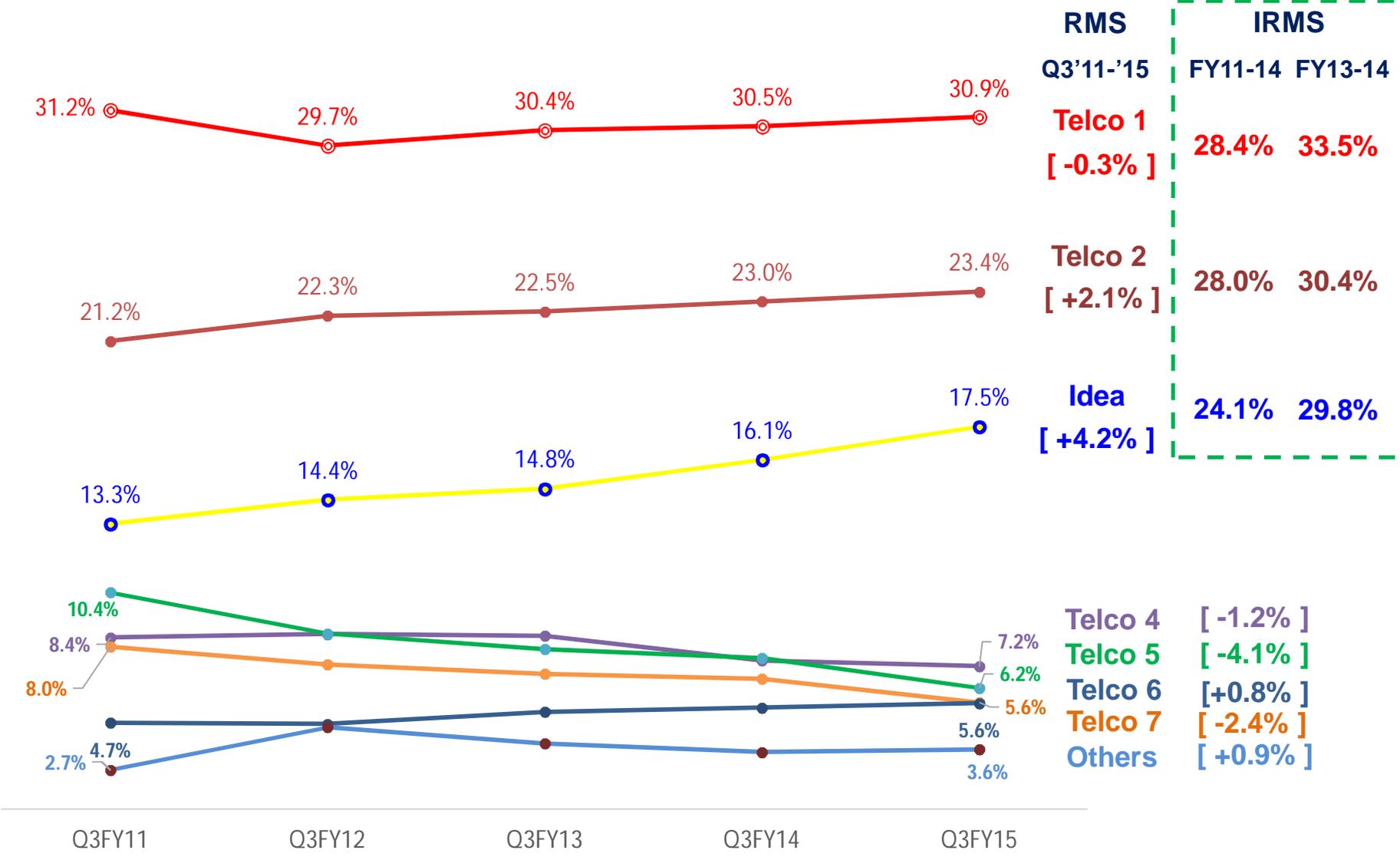
## Infrastructure

- ✓ Owns 9,521 towers, with a tenancy of 1.59
- ✓ Holds 16% stake in Indus Towers through its subsidiary ABTL<sup>(2)</sup>
- ✓ Approximately 90,200 km optical fibre cable (OFC) network

<sup>1</sup> Source: TRAI Q3FY15 revenue for UAS and Mobile licenses only.

<sup>2</sup> Providence Equity Partners, through its affiliates has invested INR 20,982mn in ABTL through Compulsorily Convertible Preference Shares, convertible into equity shares representing 30.3% of the total equity share capital of ABTL post conversion of these CCPS, which in turn reflects Providence Equity Partners' beneficial equity interest in Indus Towers of 4.85% (assuming no other change in the equity share capital of Indus Towers)

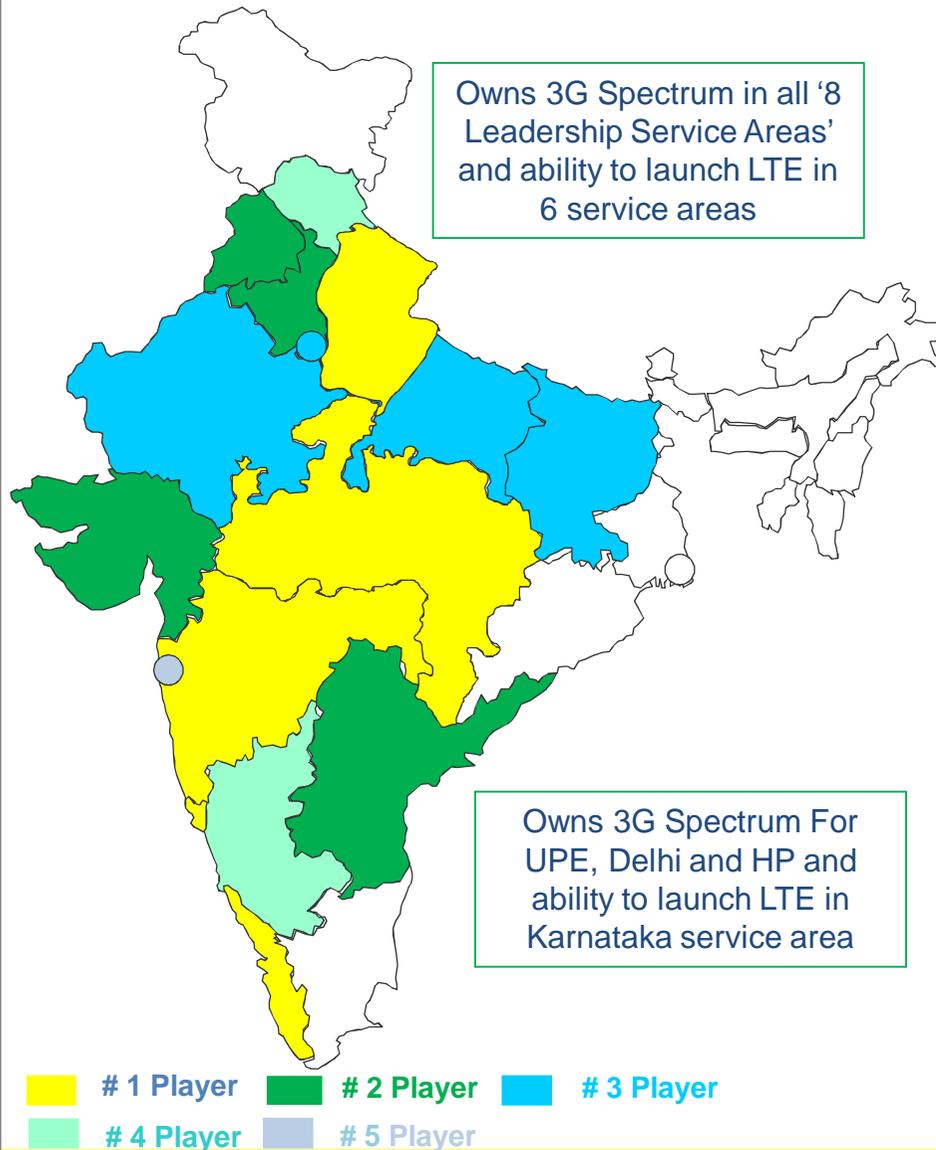
# Idea – The fastest growing Indian Telco Now One Amongst the Top 3



	RMS	IRMS	
	Q3'11-'15	FY11-14	FY13-14
Telco 1	[-0.3%]	28.4%	33.5%
Telco 2	[+2.1%]	28.0%	30.4%
Idea	[+4.2%]	24.1%	29.8%

Telco 4	[-1.2%]
Telco 5	[-4.1%]
Telco 6	[+0.8%]
Telco 7	[-2.4%]
Others	[+0.9%]

# 15 Service Areas – Strength



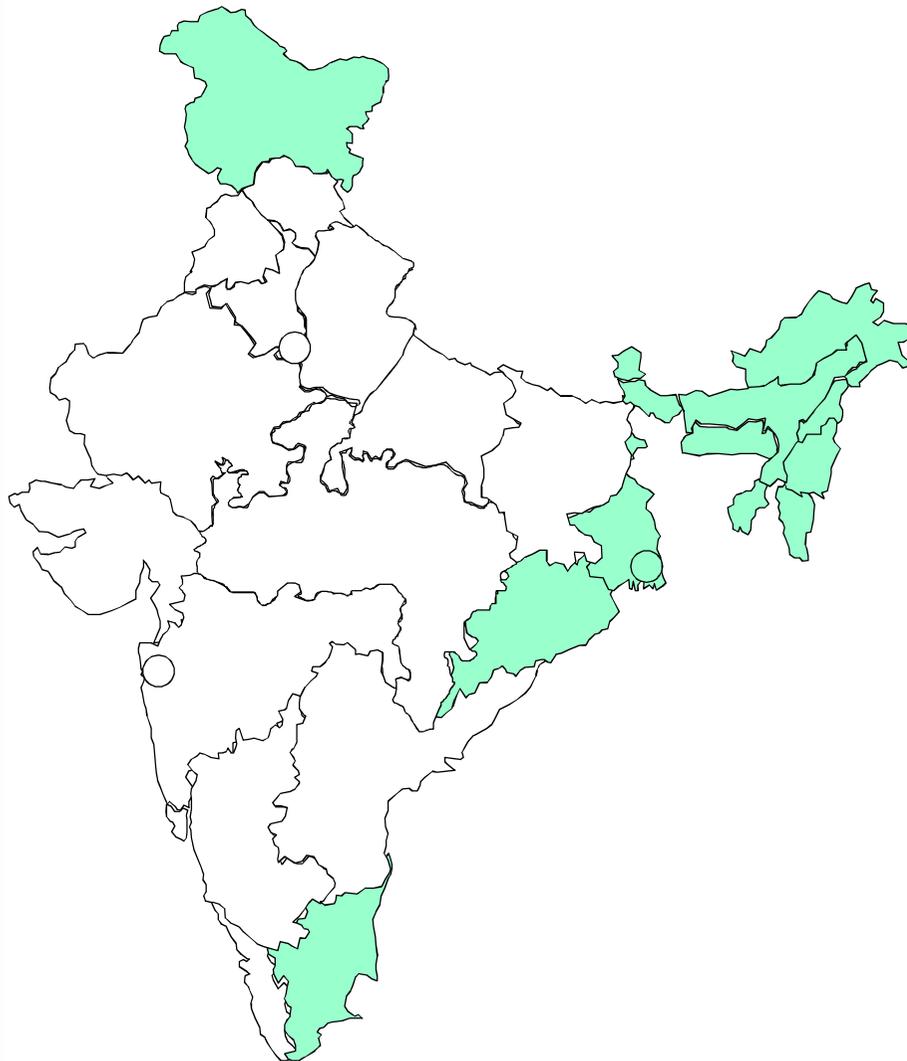
8 Established Service Areas (Leadership)				
Service Area	RMS Q3FY12 <sup>1</sup>	RMS Q3FY15 <sup>1</sup>	Rank <sup>2</sup>	Spectrum Profile
Kerala	32.2%	38.8%	1	2G/3G/4G
M.P.	32.3%	38.7%	1	2G/3G/4G
Maharashtra	28.4%	31.4%	1	2G/3G/4G
UP (W)	27.7%	31.3%	1	2G/3G
Haryana	22.8%	27.1%	2	2G/3G/4G
Punjab	20.1%	23.5%	2	2G/3G/4G
A.P.	17.5%	21.8%	2	2G/3G/4G
Gujarat	17.1%	21.8%	2	2G/3G
<b>Total</b>	<b>24.4%</b>	<b>29.0%</b>	<b>1</b>	

- 41.0% of India Mobility Revenue and 67.9% of Idea Revenue
- Idea Incremental RMS @43.7%

7 Other Established Service Areas				
Service Area	RMS Q3FY12 <sup>1</sup>	RMS Q3FY15 <sup>1</sup>	Rank <sup>2</sup>	Spectrum Profile
Rajasthan	10.7%	13.1%	3	2G
UPE	12.3%	13.0%	3	2G/3G
Delhi	10.7%	12.3%	3	2G/3G
Bihar	9.1%	11.8%	3	2G
H.P.	7.9%	11.7%	4	2G/3G
Karnataka	8.8%	11.0%	4	2G/4G
Mumbai	7.8%	10.1%	5	2G
<b>Total</b>	<b>9.8%</b>	<b>11.8%</b>	<b>3</b>	

- 39.0% of India Mobility Revenue and 26.4% of Idea Revenue
- Idea Incremental RMS @17.9%

# 7 New Service Areas - Opportunity



- Launched services during FY10; combined RMS of 5.1%<sup>1</sup> in Q3FY15
- Won 3G Spectrum (2100 MHz) in J&K (May 2010).
- Acquired 5 MHz spectrum in 1800 MHz frequency auction in Nov'12 (6.25 MHz in West Bengal) in these service areas (post cancellation of license by Supreme Court)
- Won LTE (4G) capable spectrum (1800 MHz) for Northeast in Feb'14 auction
- Leverage synergies of pan India operations i.e. roaming, NLD, Ad spend, common network elements
- Provides growth opportunity as number of licenses reduce

7 New Service Areas				
Service Area	RMS Q3FY12 <sup>1</sup>	RMS Q3FY15 <sup>1</sup>	Rank <sup>2</sup>	Spectrum Profile
West Bengal	3.6%	7.8%	5	2G
J & K	2.5%	5.4%	5	2G/3G
Kolkata	3.8%	5.6%	6	2G
North East	2.4%	4.3%	6	2G
Assam	1.9%	3.8%	6	2G
Orissa	3.3%	4.8%	7	2G/4G
Tamil Nadu	2.5%	4.3%	7	2G
<b>Total</b>	<b>2.8%</b>	<b>5.1%</b>	<b>7</b>	

- 19.9% of India Mobility Revenue and 5.8% of Idea Revenue
- Idea Incremental RMS @12.6%

# Improved Spectrum Profile post Feb'14 Auction



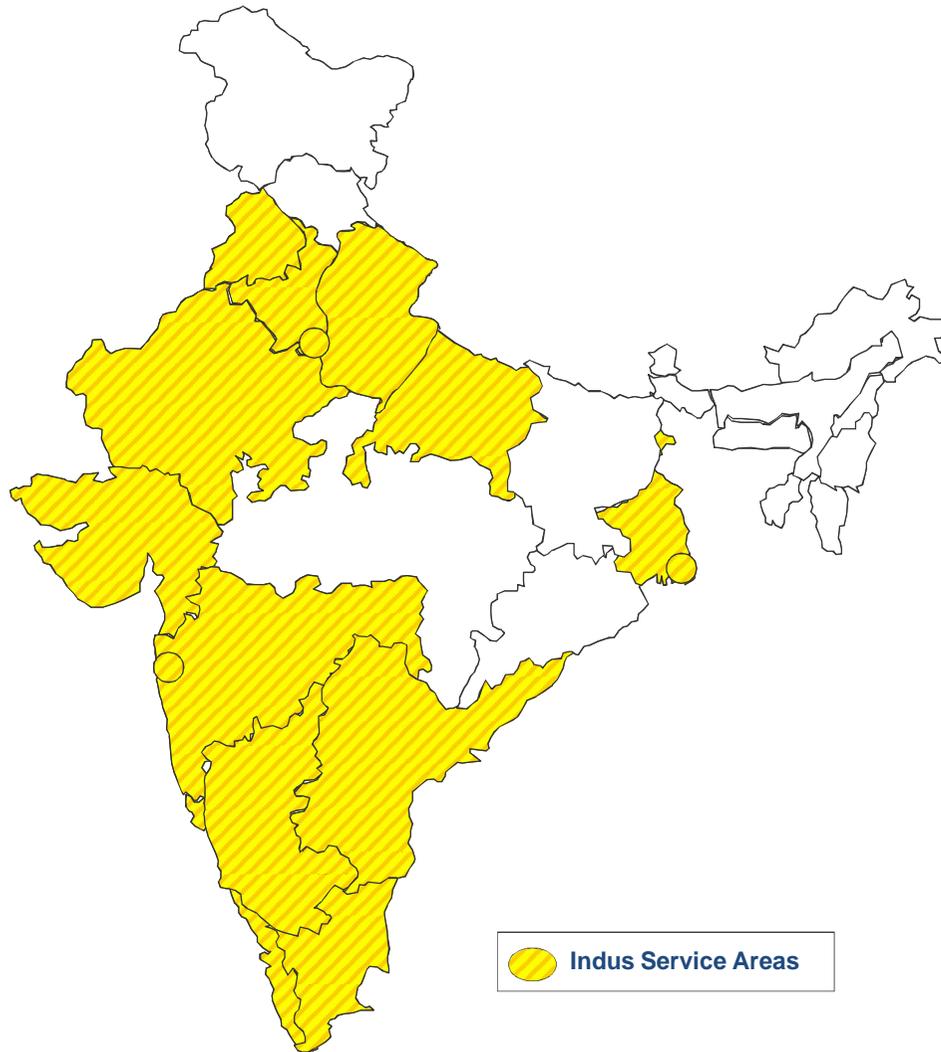
Circles	Current Spectrum Profile (Holding in MHz)				Capability to Offer		
	900	1800*	2100	Total	GSM	3G	LTE
Maharashtra*	7.8	11.0	5.0	23.8	✓	✓	✓
Kerala	6.2	11.8	5.0	23.0	✓	✓	✓
M.P.	6.2	8.8	5.0	20.0	✓	✓	✓
Andhra Pradesh	6.2	7.8	5.0	19.0	✓	✓	✓
Punjab*	7.8	8.0	5.0	20.8	✓	✓	✓
Haryana*	6.2	6.0	5.0	17.2	✓	✓	✓
UP (W)	6.2	1.8	5.0	13.0	✓	✓	✗
Gujarat	6.2	1.6	5.0	12.8	✓	✓	✗
Delhi	5.0	8.6		13.6	✓	✓	✗
UP (E)		6.2	5.0	11.2	✓	✓	✗
HP		4.4	5.0	9.4	✓	✓	✗
J&K		5.0	5.0	10.0	✓	✓	✗
Karnataka	6.2	5.0		11.2	✓	✗	✓
North East*		10.0		10.0	✓	✗	✓
Remaining 8 Circles**		44.5		44.5	✓	✗	✗
<b>Total Spectrum</b>	<b>64.0</b>	<b>140.5</b>	<b>55.0</b>	<b>259.5</b>			
No. of markets where Idea can deploy					22	12	8
Industry Revenue Contribution %					100%	57%	39%
Idea Revenue Contribution %					100%	80%	58%

- In the recently concluded spectrum auction, Idea won 5 MHz for Delhi service area which can be used for 3G services and 60.2mhz in 1800Mhz. Out of this 60.2 MHz , 45 MHz is contiguous spectrum (in 5 MHz block, which can be used for LTE (4G)

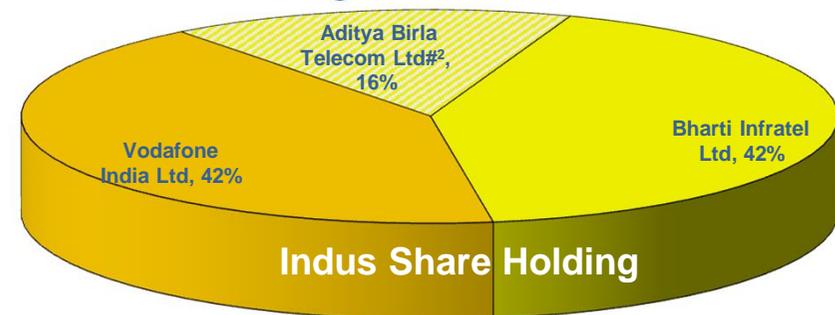
- Out of the total Spectrum Holding of **259.5 MHz**, Idea acquired **157.7 MHz** through auctions and remaining **101.8 MHz** is administratively allocated

- Also, Offering 3G services in 9 additional service areas through 3G ICR arrangements with other operators

# The Indus Advantage



- Provides passive infrastructure services in 15 service areas
- Leading independent tower company in the world with around 115,040 towers and tenancy ratio of 2.16 (as of December 31, 2014)
- Combined revenue market share of three shareholders is 72.0%<sup>(1)</sup>
- Idea benefits by reduced capex, speed to market, and embedded value of shareholding



# A Subsidiary of Idea Cellular Ltd.

<sup>1</sup>TRAI Q3FY15 revenue for UAS and Mobile licenses only.

<sup>2</sup>Providence Equity Partners, through its affiliates has invested INR 20,982mn in ABTL through Compulsorily Convertible Preference Shares, convertible into equity shares representing 30.3% of the total equity share capital of ABTL post conversion of these CCPS, which in turn reflects Providence Equity Partners' beneficial equity interest in Indus Towers of 4.85% (assuming no other change in the equity share capital of Indus Towers)



**812 Mn** Indians on  
Mobile Voice (VLR  
subscriber)



**254 Mn** Indians have Internet Access  
**236 Mn** of them on Mobile Internet



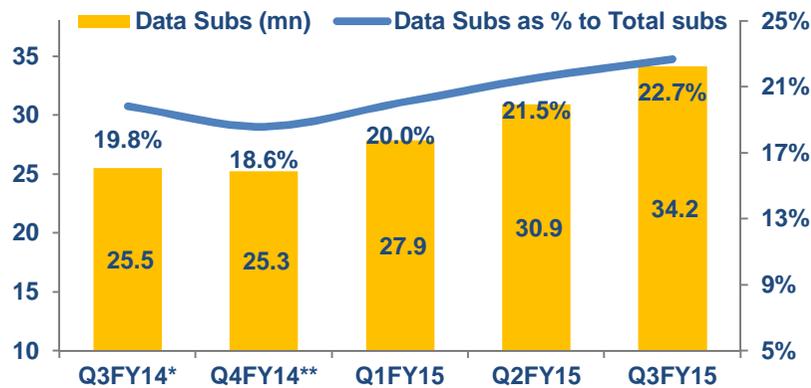
**576 Mn** waiting to  
be connected...

**With Low Fixed Line Penetration, Mobile Internet is the Only Access to Internet – Their Ticket to the Digital Era**

# Idea Mobile Data – The Next Opportunity

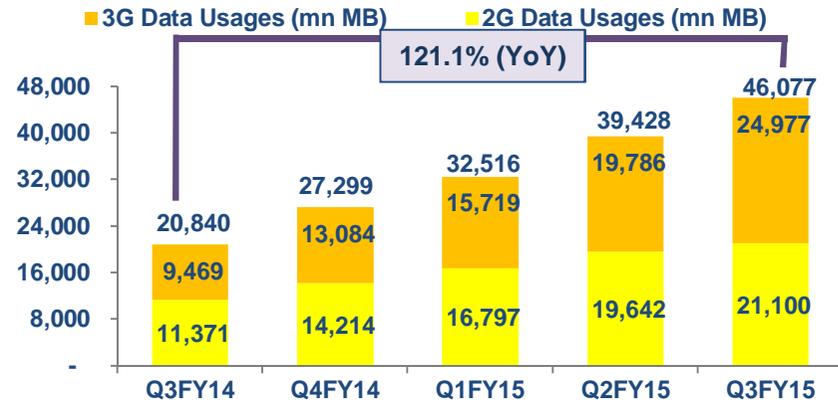


### Improving Data penetration



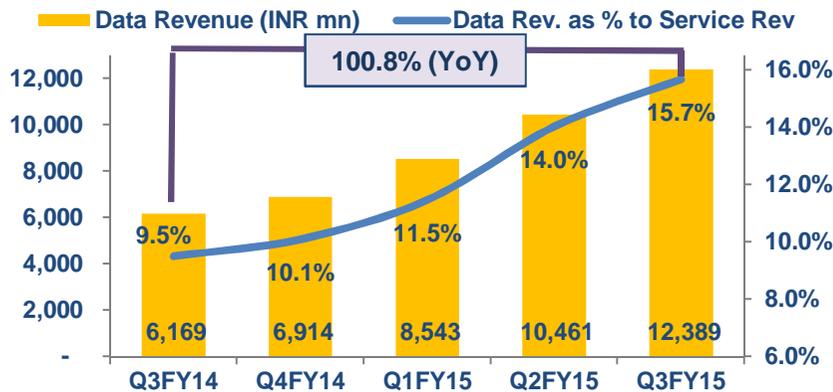
3G Data Subs (Mn)	5.9	7.2	8.8	10.5	12.9
-------------------	-----	-----	-----	------	------

### Strong Data Volume Growth



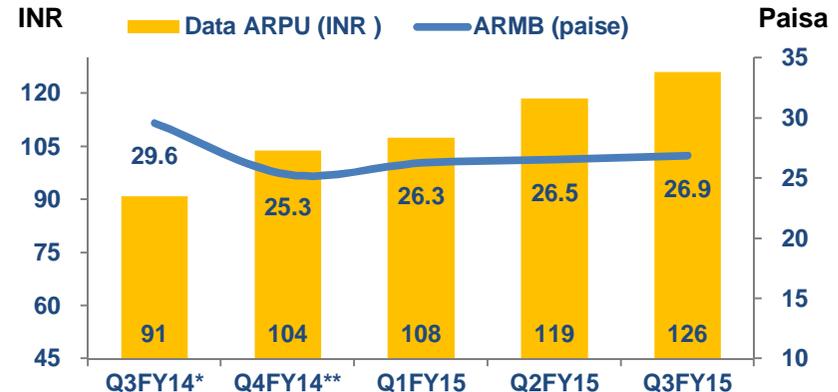
Usage per sub (MB)	309	410	409	447	470
--------------------	-----	-----	-----	-----	-----

### Data Revenue Contribution on the Rise



Data Rev. \$ mn	97.4	109.2	134.9	165.2	195.6
-----------------	------	-------	-------	-------	-------

### Data ARPU helping improve overall ARPU



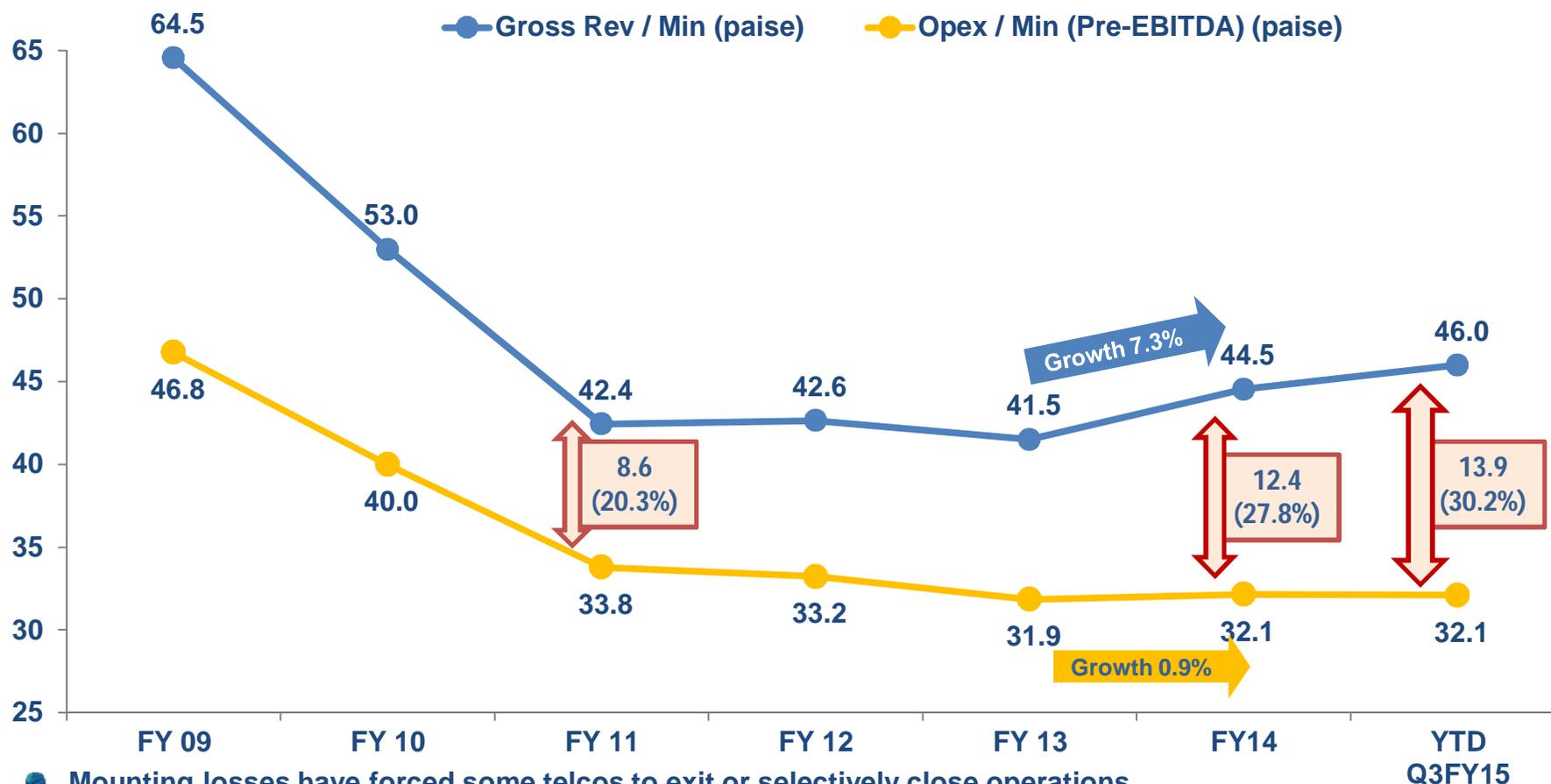
Data ARPU \$	1.44	1.64	1.70	1.87	1.99
ARMB US Cents	0.47	.40	0.41	0.42	0.42

\*Definition of data subscribers revised to data usage of >100 kb  
 \*\*Definition of data subscribers revised to data usage of >1MB from Q4FY14 onwards  
 USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

3G enabled devices @ 18.7% as of Dec'14. Smartphone uptake augurs well for underutilized 3G capital investment

# Idea Revenue and Cost Per Minute<sup>(1)</sup>

Voice Pricing Power Returning as Competitive Intensity Declines



- Mounting losses have forced some telcos to exit or selectively close operations
- Cost per minute for Idea has improved with scale, while ARPM uptick has helped drive margin improvement

Revenue / Min US Cents	1.02	0.84	0.67	0.67	0.66	0.70	0.73
Cost / Min US Cents	0.74	0.63	0.53	0.52	0.50	0.51	0.51

USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

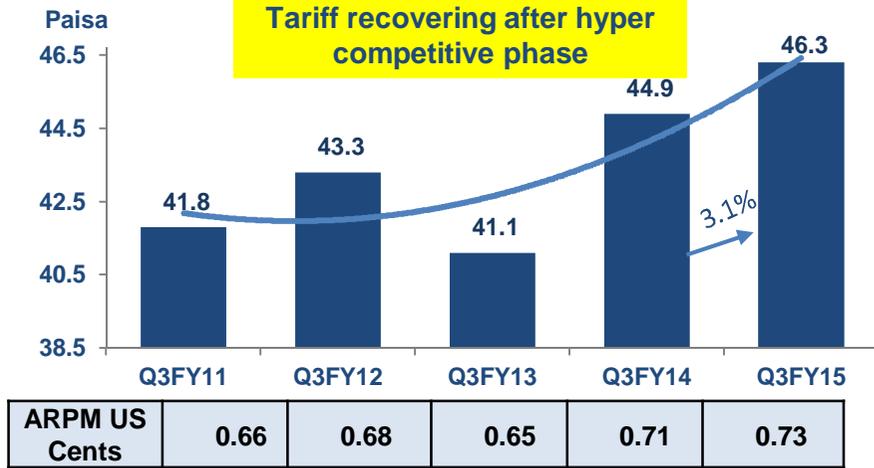
# Key Operating Trends



### Minutes of Use on Network

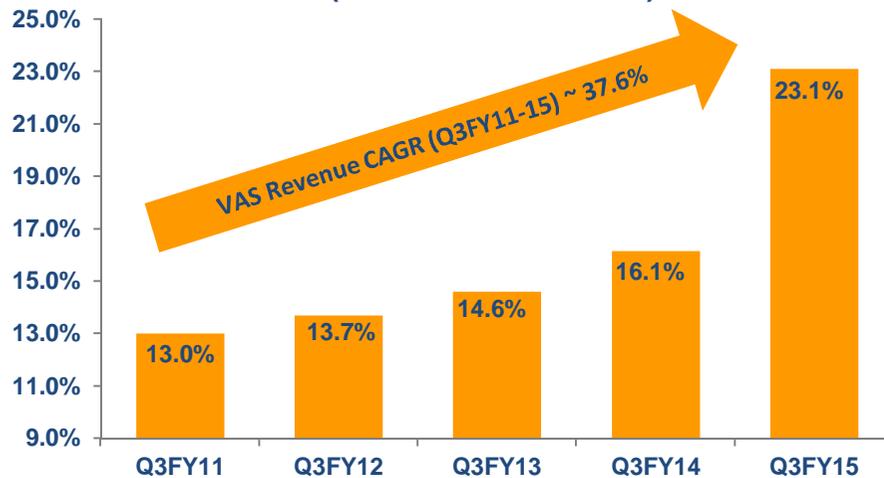


### Realized Rate per Minute

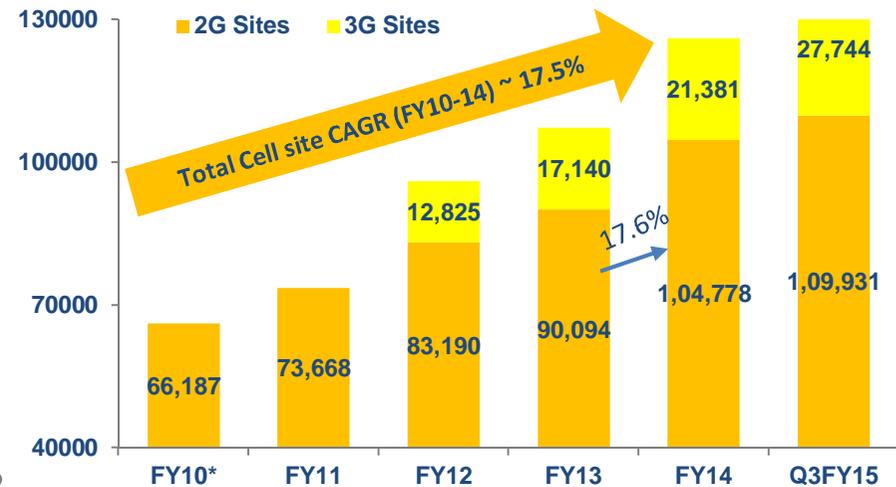


ARPM US Cents	Q3FY11	Q3FY12	Q3FY13	Q3FY14	Q3FY15
	0.66	0.68	0.65	0.71	0.73

### VAS as a % of Service Revenue (Data+ Non Data VAS)



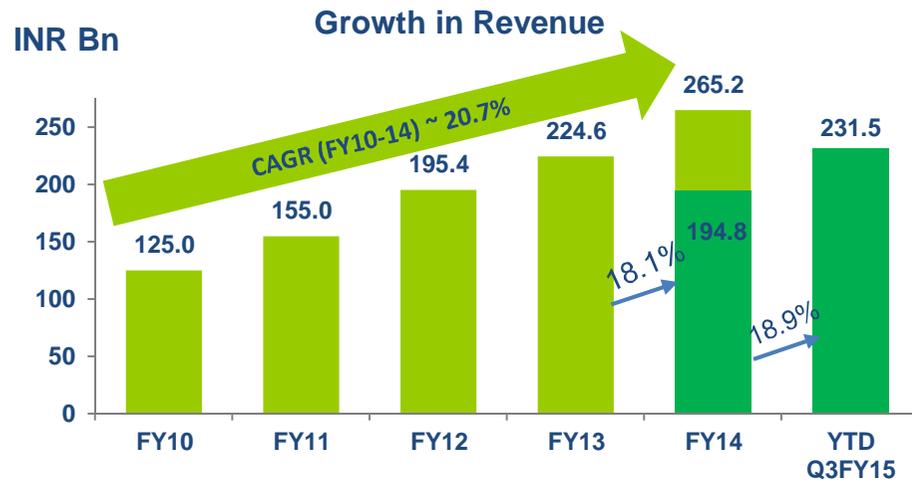
### Cell Sites (EoP)



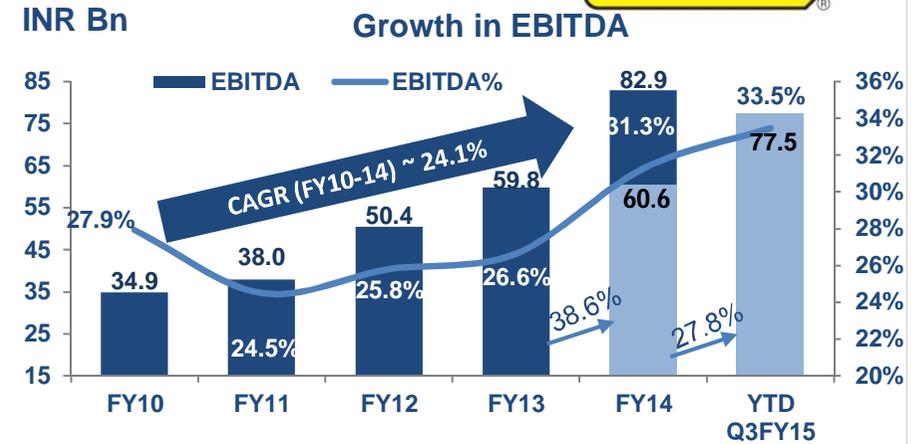
USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

VAS = Value Added Services  
\*includes 100% Minutes and Cell Sites of erstwhile Spice

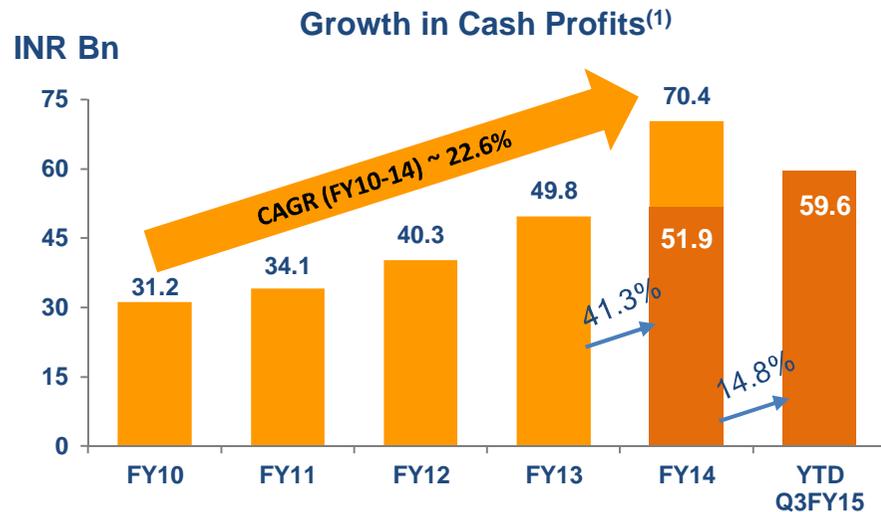
# Annual Financial Trending (Consolidated)



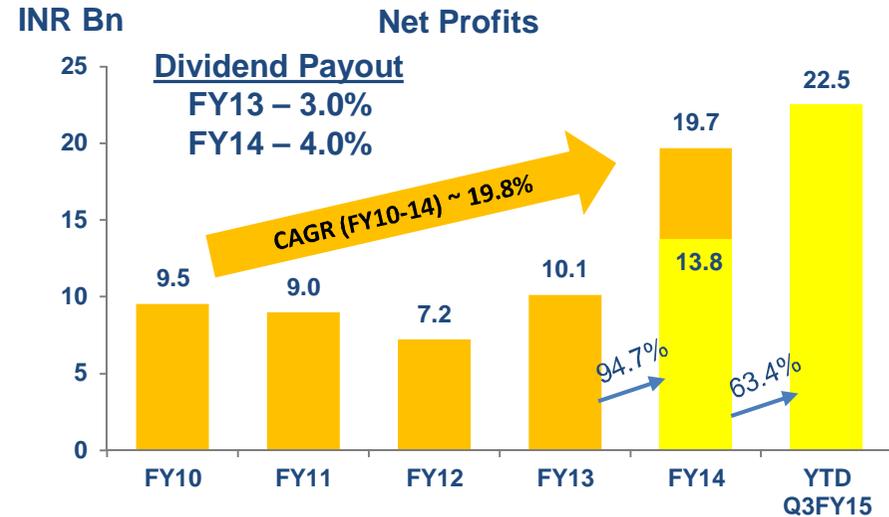
\$ mn	1,974	2,448	3,086	3,546	4,187	3,655
-------	-------	-------	-------	-------	-------	-------



\$ mn	551	600	796	945	1,309	1,223
-------	-----	-----	-----	-----	-------	-------



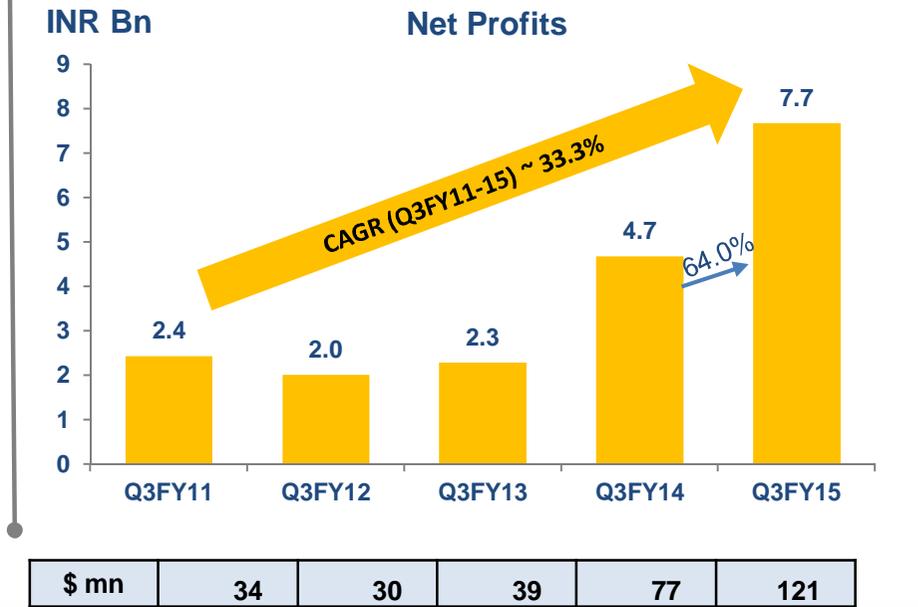
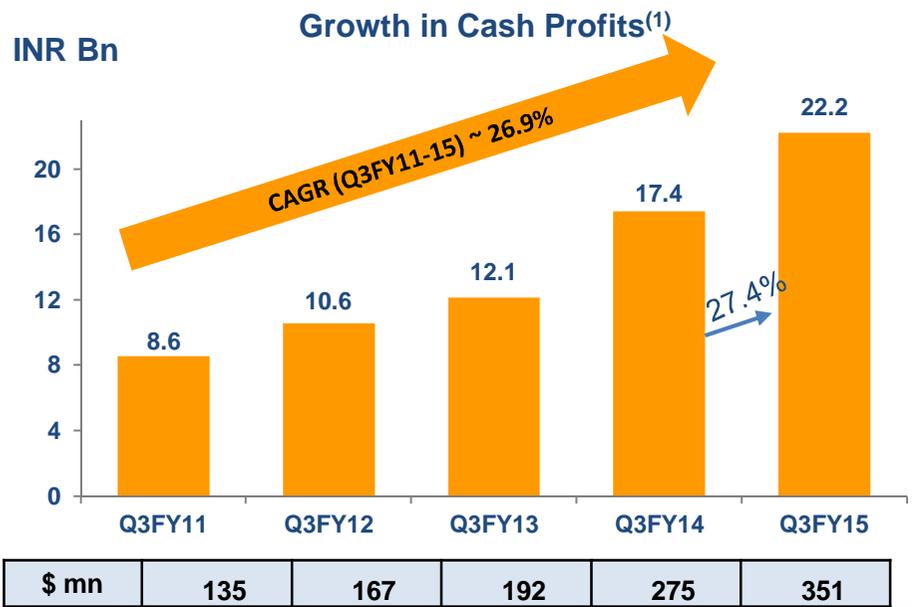
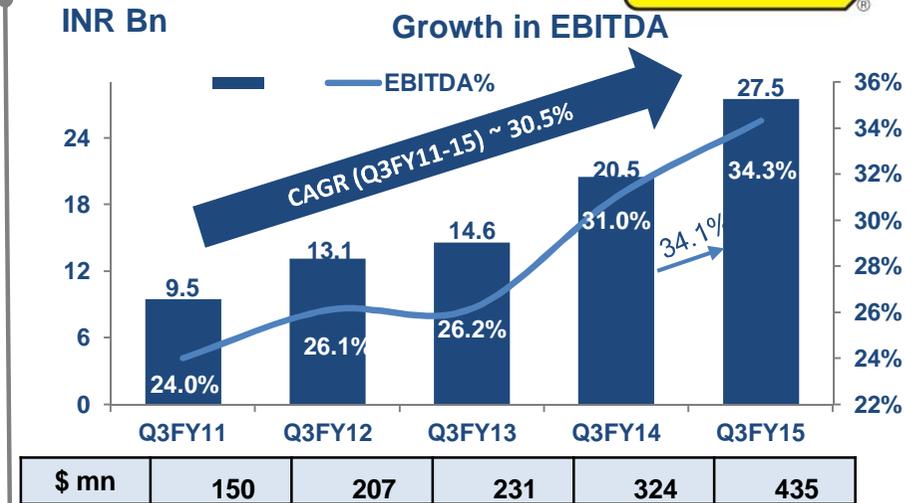
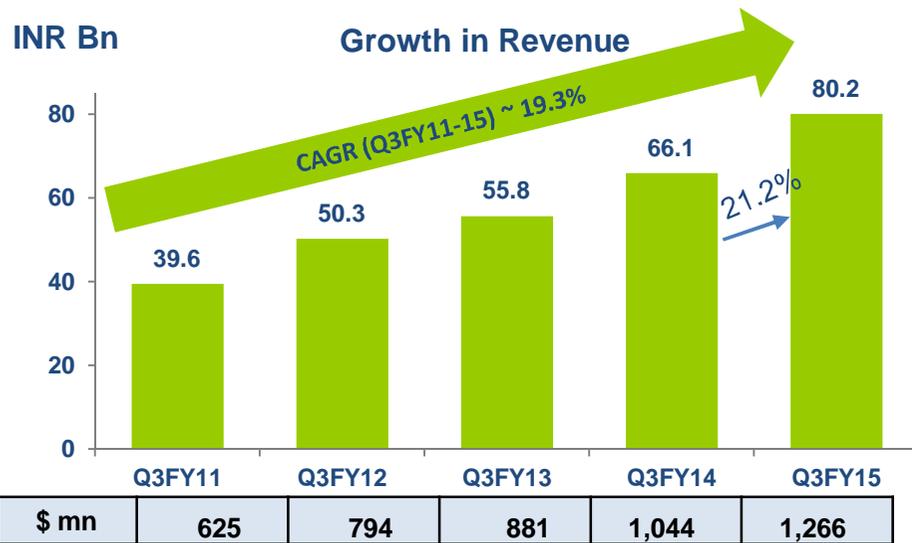
\$ mn	492	538	636	786	1,111	940
-------	-----	-----	-----	-----	-------	-----



\$ mn	151	142	114	160	311	355
-------	-----	-----	-----	-----	-----	-----

● Revenue growth driven both by realization growth and volume growth

# Quarterly Financial Trending (Consolidated)

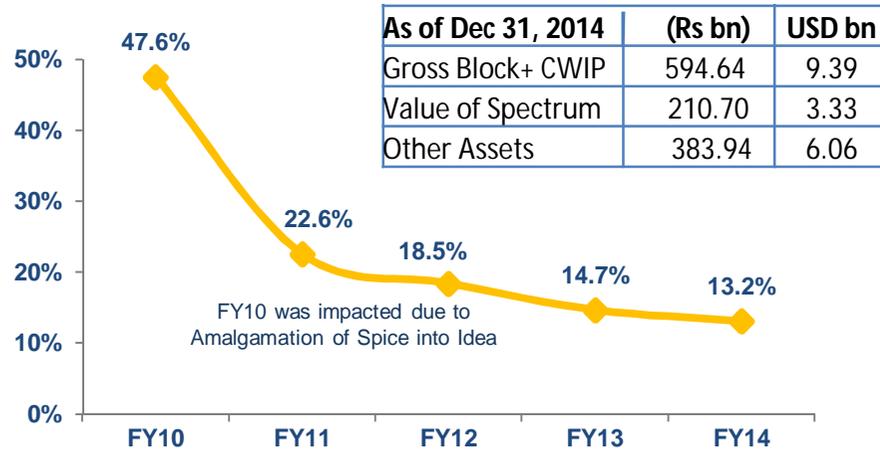


# Key Financial Ratios (1)

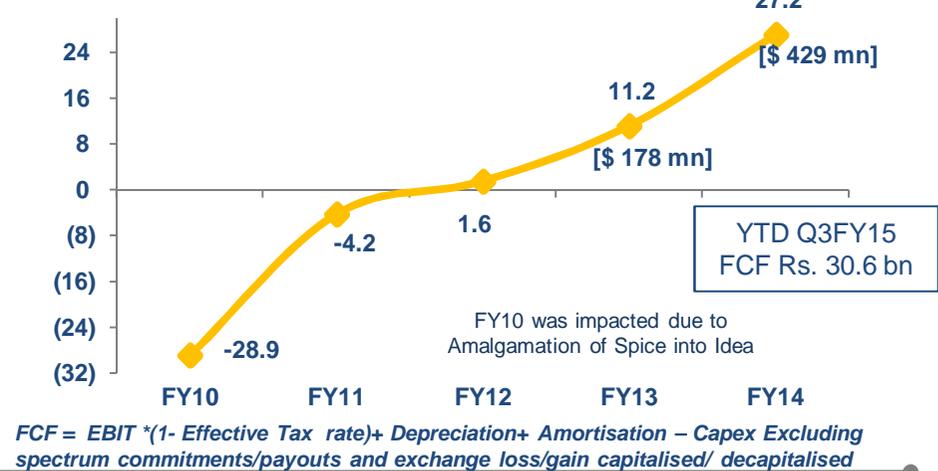


## Investment Efficiency

Steep fall in Capex (2) to Revenue ratio

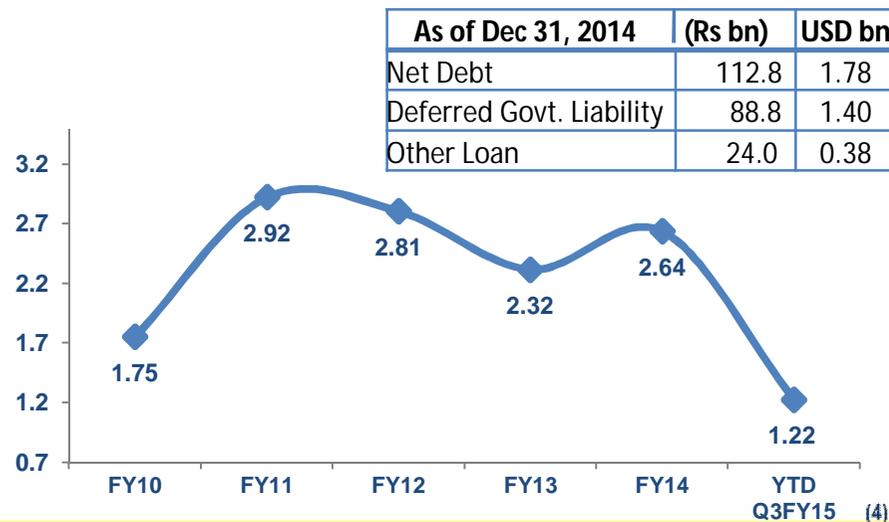


Free Cash Flow (INR bn) (3)

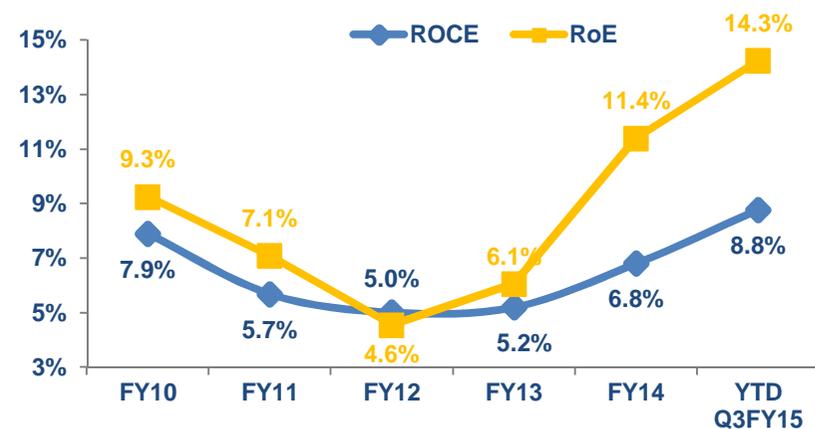


## Balance Sheet Strength

Net Debt to EBITDA



Improving ROCE and ROE



<sup>1</sup> Based on Idea Standalone Financials

<sup>2</sup> Excluding spectrum commitments/payouts and Exchange loss/gain capitalised/ decapitalised

<sup>3</sup> FCF = EBIT \* (1 - Effective Tax rate) + Depreciation + Amortisation - Capex (as defined above.)

<sup>4</sup> Based on Annualised EBITDA for Q3YTD FY15

# Idea YTD Q3FY15 Performance



<i>Consolidated (Rs mn)*</i>	YTD Q3FY14	YTD Q3FY15	YoY Growth (%)
Gross Revenue	1,94,751	2,31,484	<b>18.9%</b>
EBITDA	60,638	77,473	<b>27.8%</b>
<i>EBITDA Margin (%)</i>	31.1%	33.5%	2.3%
Capex**	35,043	29,043	-17.1%
EBITDA-Capex**	25,595	48,430	89.2%
Gross Block+CWIP	5,09,904	6,55,433	28.5%

## KPI Summary

Subscribers (Mn)	128.7	150.5	17.0%
ARPU (Rs) #	169	179	6.4%
<b>Total Traffic (bn mins)</b>	<b>431</b>	<b>498</b>	<b>15.7%</b>
Voice MOU/Sub (mins per month)#	376	388	3.2%
<b>ARPM ( Paise )#</b>	44.9	46.3	3.1%
Churn#	5.6%	4.2%	-1.4%
Data Traffic (bn MB)	52.1	118.0	126.6%
Data as % of service revenue#	9.5%	15.7%	6.2%
VAS as a % of service revenue#	16.1%	23.1%	7.0%



Appendix



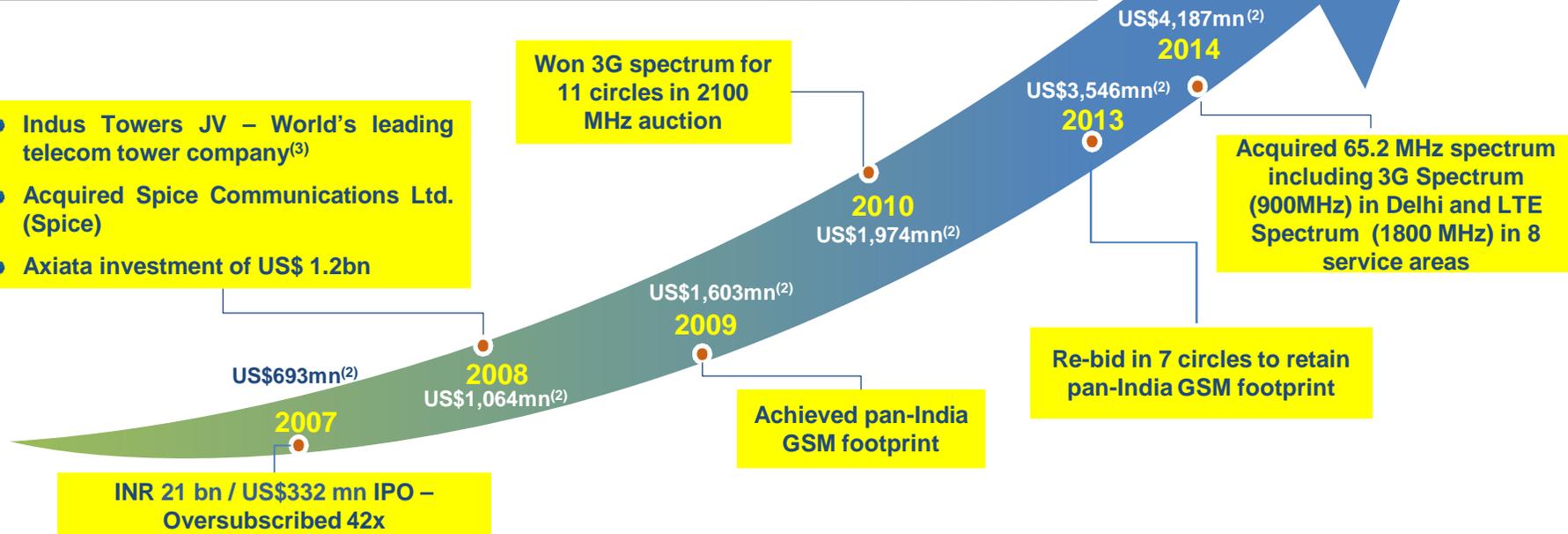
# Idea: Successful Growth Track-record



	FY2007 (IPO in Q4FY07)	FY2014	Comments
<b>Company Profile</b>	Operation in 11 circles	Pan India Operations	<b>Strong Performance since IPO</b>
<b>Customer Base (mm)<sup>(1)</sup></b>	14.0	135.8	<b>9.7x</b>
<b>Revenue (US\$ mn)</b>	\$693	\$4,187	<b>6.0x</b>
<b>EBITDA (US\$ mn)</b>	\$235	\$1,309	<b>5.6 x</b>
<b>Cash Profit (US\$ mn)</b>	\$186	\$1,111	<b>6.0 x</b>
<b>Gross Block+CWIP</b>	\$1,535	\$9,891	<b>6.4 x</b>

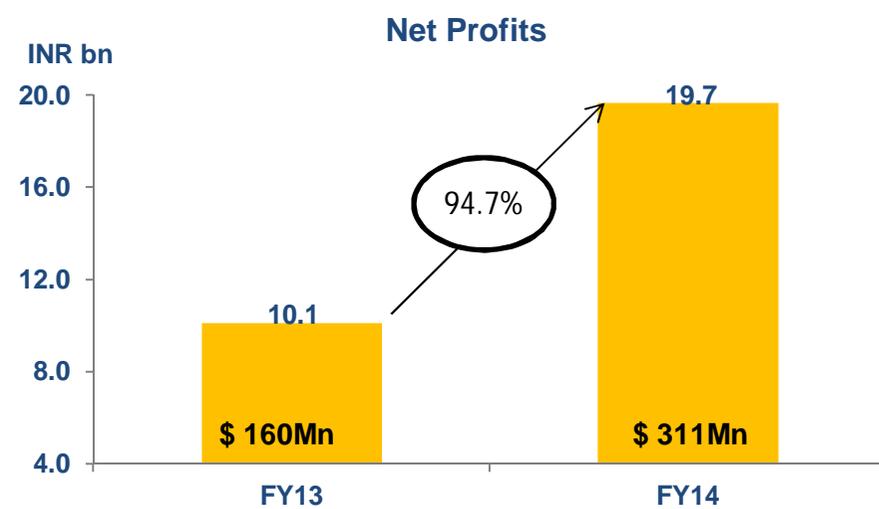
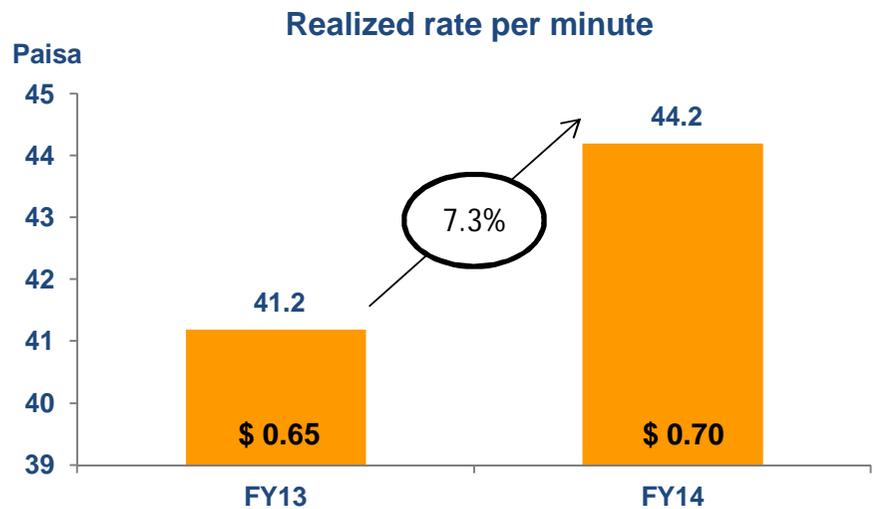
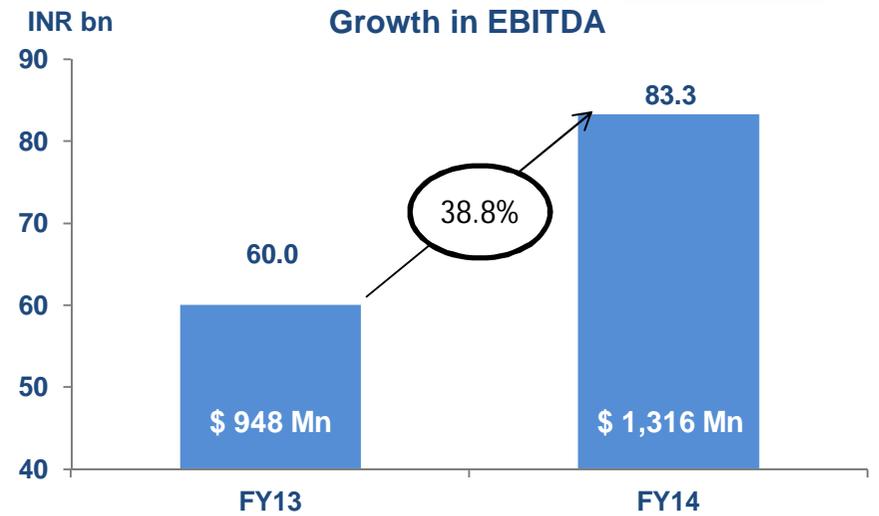
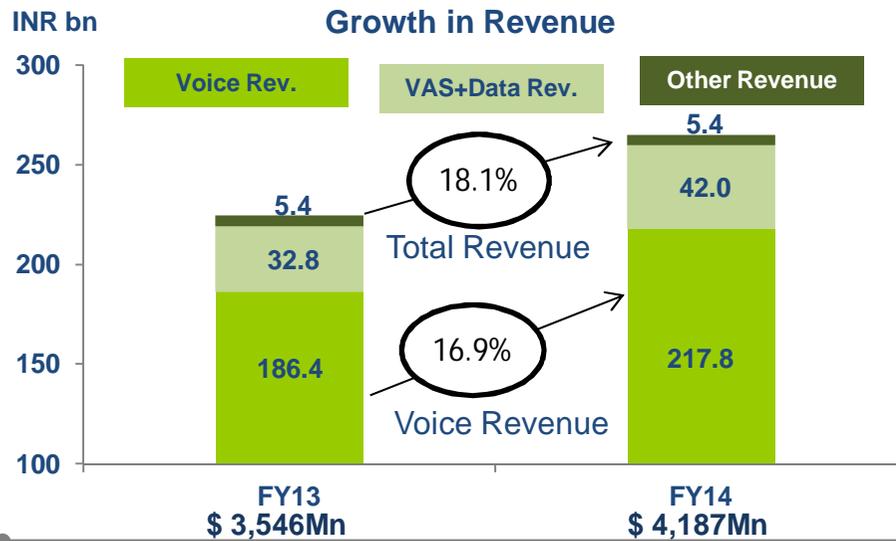
**CMS Rank 6 in FY07<sup>(1)</sup>  
CMS Rank 3 in FY14<sup>(1)</sup>**

- Indus Towers JV – World’s leading telecom tower company<sup>(3)</sup>
- Acquired Spice Communications Ltd. (Spice)
- Axiata investment of US\$ 1.2bn



USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

# Recent Financial Trends



USD 1 = INR 63.33, RBI Ref rate as of December 31, 2014

# Idea – Key Capabilities & Strengths



## *Wide Cellular Network*

- Covers ~ 77% of all India Population extended to ~350,000 Towns & Villages on GSM network.
- ~ 90,200 km of Fiber & 4700 2G+3G fibre POPs serve as data network backbone
- Earnest drive to reduce carbon footprint – solar-powered cell sites, lower plastic usage
- Work closely with global partners – Ericsson, Nokia Siemens, Cisco, IBM, Huawei & ZTE

## *Deep & Innovative Sales Distribution*

- Idea's unique distribution model ensures ~145 outlets per 100K population
- ~ 1.40 Million Transacting Retailers serviced by ~ 30,900 Distributors
- ~ 8.2 lakh 'Data Selling Outlets' sell Idea data recharges and products (2G+3G)
- ~ 6.5 Million Idea Postpaid base served through extensive retail & enterprise direct / indirect distribution

# Idea – Key Capabilities & Strengths



## *Growing Data Business*

- ~ 34.2 Million data users on 2G EDGE and 3G HSPA services
- ~16.1 Million subscribers use 3G services out of ~150.5 Million overall subscriber base
- Idea's own current range of 'Idea Smartphones' starting at USD \$90 (INR 5400)
- ~28 Mn Idea subscribers own 3G devices but only 16.1 mn use 3G platform; pace of 3G platform adoption on steady rise

## *Customer Centric Service*

- ~ 13,500 call center agents handle ~ 1.25 Million customer calls per day
- 6,000+ Idea service stores in formats adapted to large, small and rural towns
- Significant online investments to service customers via Emails, Website and Social Networks
- Idea leads MNP Net Adds – 11.9Mn (as on December 31, 2014)– with around 1 in 4 'port-out customers' choosing Idea

# Idea – Key Capabilities & Strengths



## ***Strong IT Processes & Support***

- Modern Prepaid Vtop-Up system & Pan-India Postpaid billing system BSCS IX
- Large Siebel based pan-India Prepaid and Postpaid CRM deployment
- High emphasis on sales automation through advanced Dealer Sales Mgmt. application
- Advanced Analytics through proprietary Business Intelligence & Analytics applications
- Work closely with global partners – IBM, Cisco, Wipro, SAS

## ***Idea Talent Pool***

- 15,000+ Idea Cellular employees based out of 167 offices spread across 22 service areas
- Additionally, 4,300+ Rural Prepaid sales executives engaged through a subsidiary
- Work in an open & performance driven culture with cross-functional synergy and innovation focus
- Voluntary participation in central & regional Corporate Social Responsibility programs initiated for those in need

# Idea – Some Recent Awards & Recognitions



## Corporate Awards

- Won 2 Awards at Economic Times Telecom Awards 2013
  - ✓ Most Innovative Service Provider Awards under Enterprise category
  - ✓ My Favourite Service Provider Award
- Amity Telecom Excellence Award for 'The Best Rural Services Provider of the Year 2013'
- Amity Leadership Award 2013 for 'Leveraging IT in Telecommunications'

## Brand Awards

- Aegis Graham Bell Award 2013 for Best Brand Campaign
- Pitch 'Top 50 Brands' Award
- At EFFIES 2013: 2 Golds, 1 Silver & 1 Bronze for Honey Bunny, Telephone Exchange, and 'What an Idea' series of campaigns
- Won Silver and Bronze at the APAC EFFIES for Honey-Bunny campaign
- Awarded Silver at Emvies, 2013 for Integrated Media Campaign for Honey-Bunny
- CNBC TV18 India Business Leader Awards 2013: 'Storyboard Brand Campaign of the Year Award' - Honey Bunny campaign

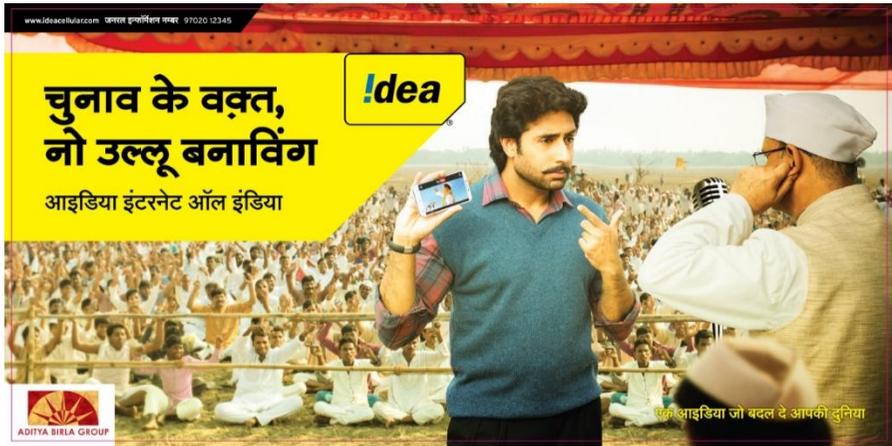
## HR Awards

- Rated as the 'Best Place to Work' in the Indian telecom sector at the Asia Business Awards 2013
- India's Best Companies to Work for Study 2013 ranked Idea as the 'Best in Class within Telecom Sector in 2013'
- Awarded the 'Best Place to Work' at the Asia Communication Awards 2013

# Idea Brand Philosophy

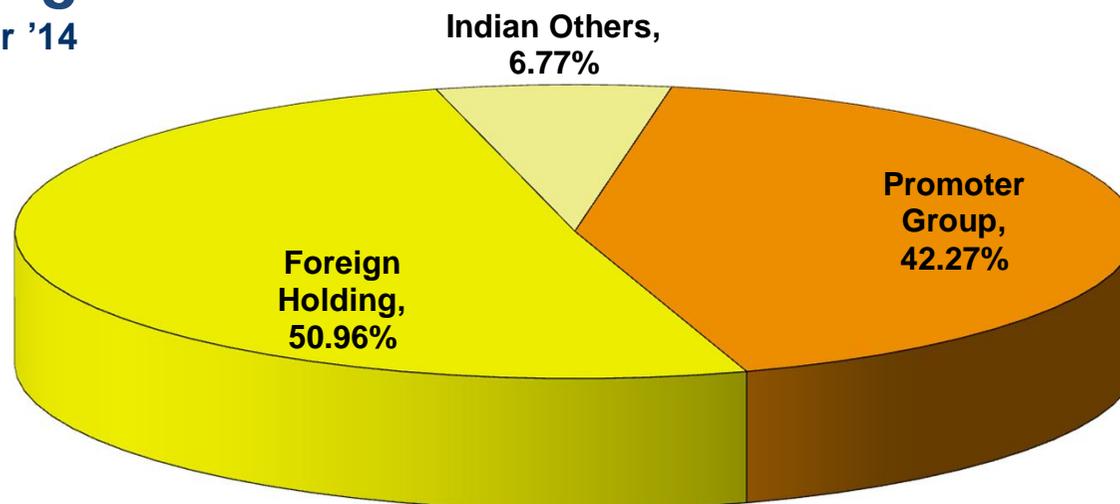


## Transforming Indian consumers' life through Mobile Telephony



# Shareholding

As on 31 December '14



## PROMOTERS' HOLDING

ADITYA BIRLA NUVO LIMITED	23.28%
BIRLA TMT HOLDINGS PRIVATE LIMITED	7.88%
HINDALCO INDUSTRIES LIMITED	6.35%
GRASIM INDUSTRIES LTD	4.75%
Kumar Mangalam Birla	0.01%

## TOP 5 PUBLIC SHAREHOLDERS

AXIATA INVESTMENTS 1 (INDIA) LTD.	12.92%
AXIATA INVESTMENTS 2 (INDIA) LTD.	6.87%
P5ASIA INVESTMENTS (MAURITIUS) LTD	6.81%
VANGUARD INTERNATIONAL GROWTH FUND	1.69%
NATIONAL WESTMINSTER BANK PLC AS DEPOSITARY OF FIRST STATE GLOBAL EMERGING MARKETS LEADERS FUND A SUB FUND OF FIRST STATE INVESTMENTS	1.48%

# Aditya Birla Group



## Our Businesses



## Our Brands



- ❑ A leading business conglomerate and one of the India's most respected business groups
- ❑ Global player in aluminum, copper, carbon black, viscose staple fiber and chemicals; A leading Indian player in cement, telecom, branded apparel and financial services
- ❑ Strong confidence of all stakeholders, lenders, and vendors and ability to attract and retain talent

# Board Members



## Mr. Kumar Mangalam Birla – Chairman (Non-Executive)

- Mr. Kumar Mangalam Birla is the Chairman of Idea and Aditya Birla Group. He chairs the Boards of the major Group Companies in India and globally. Mr. Birla took over as Chairman of the Group in 1995. As Chairman, Mr. Birla has taken the Aditya Birla Group to an altogether higher growth trajectory. In the 17 years that he has been at the helm of the Group, he has accelerated growth, built a meritocracy and enhanced stakeholder value.
- Holds an MBA and is a Chartered Accountant



## Mr. Arun Thiagarajan – Independent Director

- Mr. Arun Thiagarajan is currently a part-time Non-Executive Independent Chairman of ING Vysya Bank Limited. Mr. Thiagarajan was the Managing Director of Asea Brown Boveri Ltd. from 1994 till 1998. He was also the Vice Chairman of Wipro Ltd. in 1999 and had also held the position of President of Hewlett-Packard India Pvt. Ltd. in 2001-02. He sits as an Independent Director on the Board of various Companies in India.
- Holds a masters degree in Engineering and graduated in Business Administration & Information Systems



## Mrs. Rajashree Birla – Non-Executive Director

- Mrs. Rajashree Birla is the Chairperson of Aditya Birla Centre for Community Initiatives and Rural Development. She is also a Director on the Board of the major Group Companies. Mrs. Birla oversees the Groups social and welfare driven work across 30 companies. Mrs. Birla was conferred the Padma Bhushan by the Government of India for her exemplary contribution in the area of social work.
- Arts graduate from Loretto College at Calcutta



## Ms. Tarjani Vakil – Independent Director

- Ms. Tarjani Vakil retired as the Chairperson and Managing Director of Export Import Bank of India. She was the first lady to head a Financial Institution in India. Ms. Vakil has 40 years of experience in the field of Finance and Banking. She sits as an Independent Non-Executive Director on the Board of various Companies in India.
- Holds a Masters Degree in Arts



## Mr. Himanshu Kapania - Managing Director

- Mr. Himanshu Kapania is a 17-year-veteran of Indian telecom industry and has over 29 years of rich experience across Automobile, Durables & Office Automation industries in Sales & Marketing, Operations and P&L Leadership roles. He is also the Chairman of the Cellular Operators Association of India.
- He is an Electronics & Electrical Engineer and a Post Graduate in Management, from India Institute of Management, Bangalore.



## Mr. Mohan Gyani – Independent Director

- Mr. Mohan Gyani has a considerable telecommunication and GSM-based industry experience. He was earlier President and CEO of AT&T Wireless Mobility Group. He was also the CFO of AirTouch Communications. Mr. Gyani serves on the Boards of Keynote Systems, Roamware Inc., Safeway Inc., Ruckus Wireless Inc.
- Holds a B.A. and M.B.A.



## Ms. Madhabi Puri Buch – Independent Director

- Ms. Madhabi Puri Buch is currently the Director Operations at Greater Pacific Capital LLP. Previously, she was the CEO of ICICI Securities and prior to that she was a director on the Board of ICICI Bank, looking after its Global Markets business covering treasury solutions as well as the Bank's operations and credit committees. She has a wide experience in Finance and Banking.
- Holds B.Sc. (Hons) in Mathematics and Economics and an M.B.A



## Mr. G.P. Gupta – Independent Director

- Mr. G.P. Gupta retired as the Chairman and Managing Director of Industrial Development Bank of India Ltd. He was also the Chairman of Unit Trust of India. Mr. Gupta has over 38 years of experience in Project Financing, Capital Market, Financial and General management. He serves as an Independent Non-Executive Director on the Board of various Companies in India.
- Holds a Masters Degree in Commerce

# Board Members



## Mr. R.C. Bhargava – Independent Director

- Mr. R.C. Bhargava served in Indian Administrative Services and has held the post of Joint Secretary in the Ministry of Energy and in the Cabinet Secretariat. He retired in 1997 as the Managing Director of Maruti Suzuki India Ltd. & presently is a Non-Executive Chairman of Maruti Suzuki India Ltd. He has vast experience in Administrative Services and General Management. He sits as an Independent Director on several Boards in India.
- Holds an M.Sc. in Mathematics and M.A. in Developmental Economics and is an IAS (Retd)



## Mr. Sanjeev Aga – Non-Executive Director

- Mr. Sanjeev Aga served as the Managing Director of Idea for the period November 1, 2006 to March 31, 2011. Mr. Aga earlier held position of Managing Director of Aditya Birla Nuvo Ltd. and has held senior positions in Asian Paints Ltd., Chellarams (Nigeria) and Jenson & Nicholson. He has also held position of CEO of Mattel Toys and position of Managing Director of Blow Plast Ltd.
- Holds B.Sc. (Hons) in Physics and M.B.A



## Mr. P. Murari – Independent Director

- Mr. P. Murari has held several senior positions with the Government of India, the last being Secretary to the President of India until August, 1992. Mr. Murari currently serves as an Advisor to the President of FICCI. He has vast experience in Administrative Services and General Management. He sits as an Independent Director on several Boards in India.
- Holds M.A. in Economics and is an IAS (Retd.)



## Mr. Biswajit Subramanian – Non-Executive Director

- Mr. Biswajit A. Subramanian, serves as the Managing Director at Providence Equity Partners LLC. Mr. Subramanian leads Providence Equity's Indian private equity investment activities in Asia (ex China) based out of New Delhi. He has extensive experience in Corporate Finance and Mergers and Acquisition transactions.
- Holds B. Tech and M.Tech in Electrical Engineering and an M.B.A.



## Mr. Rakesh Jain – Non-Executive Director

- Dr. Rakesh Jain is currently the Managing Director of Aditya Birla Nuvo Limited. Dr. Jain is also a Director of Group IT and a Director on the Board of the Aditya Birla Management Corporation Pvt. Ltd. Previously he served as the President and CEO of GE Plastics India and South Asia
- Holds an M.Tech and Ph.D in Polymer Science



## Dr. Shridhir Sariputta Hansa Wijayasuriya – Non-Executive Director

- Dr. Shridhir Sariputta Hansa Wijayasuriya is the Group Chief Executive of Dialog Axiata Srilanka. He has over 17 years of experience in technology related business management. He also serves on the Boards of various subsidiaries of the Axiata Group. Dr. Wijayasuriya is a past Chairman of GSM Asia Pacific – the regional interest group of the GSM Association .
- Holds an Engineering Degree (Electrical and Electronics), M.B.A. and Ph.D. in Digital Mobile Communications

# Management Team



**Akshaya Moondra**

- **Chief Financial Officer, aged 51 years**
  - CA and Licentiate CS with over 27 years of industry experience
  - Joined ABG in August 1986 at Grasim. Worked with ABG in Thailand in Pulp & Fibre, Chemicals and Acrylic Fibre Businesses from 1989 to June 2008. Joined Idea in July 2008; telecom experience of over 5 yrs



**Anil K Tandan**

- **Chief Technology Officer, aged 65 years**
  - Served in the Indian Army in the Corps of Signals for 30 years before joining the industry. Has an M.Tech from IIT Kharagpur, Post Graduate in Management from AIMA and has attended the Advanced Management Program at Harvard Business School.
  - Joined Idea in January 2001; telecom experience of over 14 yrs



**Prakash K Paranjape**

- **Chief Information Technology Officer, aged 56 years**
  - Engineering graduate from Pune University with over 33 years of industry experience
  - Joined Idea in Sept. 2005 ; telecom experience of over 17 yrs



**Rajat Mukarji**

- **Chief Corp Affairs Officer, aged 61 years**
  - Graduate from St Stephen's College, Delhi and Diploma in International Marketing Management from Delhi with over 29 years of industry experience.
  - Joined Idea in Jan. 1996 ; telecom experience of over 17 yrs



**Rajesh Srivastava**

- **Chief Commercial Officer, aged 59 years**
  - B.Sc.(Hons) from Delhi University & Engineering graduate from Indian Institute of Science, Bangalore with over 38 years of experience across Telecom, FMCG, Hospitality, Manufacturing and Consulting.
  - Joined Idea in Nov. 2006 ; telecom experience of over 11 yrs



**Ambrish Jain**

- **Deputy Managing Director, aged 58 years**
  - B.Tech. from IIT Delhi and Post Graduation from Indian Institute of Management Ahmedabad with over 34 years of industry experience across Sales, Marketing and P&L Leadership roles
  - Joined Idea in October 2001 ; telecom experience of over 18 yrs



**P Lakshminarayana**

- **Chief Operating Officer, aged 54 years**
  - Over 29 years of experience spanning FMCG and Telecom. Held senior positions in Sales, Marketing and General Management in organizations like ITC and Pepsi.
  - Joined Idea in Feb 2004 ; telecom experience of over 9 yrs



**Sashi Shankar**

- **Chief Marketing Officer, aged 55 years**
  - Chemical Engineering graduate and Management postgraduate in Marketing from S.P. Jain Institute of Management Research, Mumbai. Wide experience of 30 years across Sales , Marketing and P&L roles in FMCG, Durables and Telecom industries
  - Joined Idea in Sept. 2001; telecom experience of over 11 yrs



**Navanit Narayan**

- **Chief Service Delivery Officer, aged 49 years**
  - Over 25 years experience in key positions at Indian & global organizations like Tata Steel, NSN and Wipro BPO. Held P&L positions and managed business turnaround & global start-ups. B.Sc. in Engg. followed by an MS from Northwestern University, USA and MBA from XLRI, Jamshedpur
  - .Joined Idea in Jan. 2008; telecom experience of over 7 yrs



**Vinay Razdan**

- **Chief Human Resources Officer, aged 48 years**
  - Commerce graduate from Delhi University and postgraduate degree in PM&IR from the XLRI, Jamshedpur with over 25 years of industry experience across organizations like ITC and HCL.
  - Joined Idea in Jan. 2006 ; telecom experience of over 7 yrs

# Glossary



S. No.	Definitions/ Abbreviation	Description/Full Form
1	Incremental RMS	Is Incremental Revenue Market Share (RMS), calculated as change in absolute revenue for Idea divided by change in absolute revenue for Industry during the relevant period
2	Incremental VLR Market Share	Is Incremental Visitor Location Register (VLR) Market Share, calculated as change in absolute VLR subscribers for Idea divided by change in absolute VLR subscribers for Industry during the relevant period
4	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
5	Churn	Churn relates to subscribers who are removed from the EoP base for discontinuing to use the service of the company
6	Cash Profit	Is calculated as the summation of PAT, Depreciation and Amortisation, charge on account of ESOPs and Deferred Tax, for the relevant period
7	Free Cash Flow	Is calculated as EBIT less Tax at effective rate increased by Depreciation and Amortisation and reduced by Capex (excluding Spectrum commitment) for the relevant period
8	Capex	Is calculated as difference between the Gross Block and CWIP of relevant period, excluding spectrum commitments/payouts and Exchange loss/gain capitalised/ decapitalised.
9	Net Debt	Total loan funds reduced by cash and cash equivalents
10	RoCE (Return on Capital Employed)	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
11	RoE	ROE is calculated as a) for the year: PAT divided by average Shareholders Fund for the year, b) for the quarter : PAT (excluding non-recurring income) for the quarter is annualised and increased by non-recurring income and then divided by average Shareholders Funds for the quarter. Shareholders Fund is taken as the average of opening and closing of Shareholders Funds reduced by the debit balance of P&L account (If any), for the respective period
12	Effective Tax Rate	Is calculated as total tax charged to Profit and Loss Account divided by Profit Before Tax (PBT) for the relevant period
13	EoP	End of Period



Thank You