



Idea Cellular Limited

An Aditya Birla Group Company

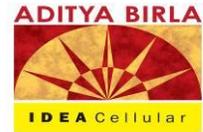
Quarterly Report

Second Quarter ended September 30, 2011



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

Corporate Office: 5th Floor, Windsor, Off C.S.T. Road, Near Vidya Nagari, Kalina Santacruz (East), Mumbai 400 098, India



Supplemental Disclosures

Unless stated otherwise, the financial data in this report is derived from our un-audited / audited financial statements prepared in accordance with Indian GAAP. Our financial year ends on March 31 of each year, so all references to a particular financial year are to the twelve months ending March 31 of that year. In this report, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. There are significant differences between Indian GAAP, IFRS, and U.S. GAAP; accordingly, the degree to which the Indian GAAP financial statements will provide meaningful information is dependent on the reader's familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial information presented in this report should accordingly be limited. We have not attempted to explain such differences or quantify their impact on the financial data included herein.

Unless stated otherwise, industry data used throughout this report has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this report is reliable, it has not been independently verified.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the industry.

Report Structure	Page No.
1. Reporting Guidelines	3
2. Performance at a glance	4
3. Company Overview	4
4. Strength Areas	6
5. Financial Highlights	8
6. Key Performance Indicators	10
7. Management Discussion & Analysis	12
8. Stock Market Highlights	14
9. Shareholding Pattern	14
10. Glossary	15



1. Reporting Guidelines:

To facilitate an analytical perspective, the results have been formatted and grouped as under:

a) Standalone – Idea, and its 100% subsidiaries. Effectively, this encompasses all operations, excluding the JVs, Spice (till February 28, 2010) and Indus. Spice Communications has been amalgamated into Idea Cellular w.e.f. March 01, 2010 and accordingly from that date Idea Standalone includes erstwhile Spice.

b) Consolidated – Idea, its 100% subsidiaries, and its JVs, grouped together. In addition to Idea Standalone, this covers the proportionate consolidation of erstwhile Spice (41.09% till February 28, 2010) and Indus (16%). JV financials have been consolidated as jointly controlled entities as per “AS 27 - Financial reporting of Interests in Joint Ventures”. It may be noted that the consolidation of financials of two or more entities requires elimination of inter entity transactions. Illustratively, rentals paid by Idea to Indus, become expenses for Idea and revenues for Indus, on a standalone basis. However, upon consolidation, the proportionate revenue of Indus gets reduced to the extent contributed by Idea. The rental expenses of Idea also stand correspondingly reduced in the consolidated financials.

Note: The Company's appeal before the Appellate Bench of Hon'ble High Court of Delhi, challenging its judgment dated 4th July 2011 passed by the single judge concerning amalgamation of erstwhile Spice Communications Limited (Spice) with the Company and issues relating thereto is pending. Meanwhile, through interim order passed by the said Bench of Hon'ble High Court, DoT has been directed to accept the License Fee from the Company against the licenses for Punjab and Karnataka service areas granted to erstwhile Spice without prejudice; maintain status quo in relation to the aforesaid two operating licenses and not to take any coercive action in relation to any demand concerning remaining four non operating licenses till the next hearing. The financial results therefore continue to include the results of Punjab & Karnataka service areas.



2. Performance at a glance – Idea Standalone

Particulars	Unit	For the Quarter		For the Year				
		Q2FY12	Q1FY12	FY 11	FY 10	FY 09	FY 08	FY 07
Operating Highlights								
Operating Service Areas (EoP)	nos.	22	22	22	22	13	11	11
Subscriber base (EoP)	mn	100.2	95.1	89.5	63.8	38.9	24.0	14.0
2G - Cell Sites (EoP)	nos.	78,367	76,291	73,668	66,187	44,230	24,793	10,114
3G - Cell Sites (EoP)	nos.	9,744	6,989					
Financial Highlights								
Gross Revenue	Rs mn	46,554	45,559	156,380	121,413	99,713	67,374	43,873
EBITDA	Rs mn	10,436	10,666	33,262	30,538	27,548	22,693	14,862
PAT	Rs mn	793	1,541	8,378	10,298	9,561	10,423	5,023
Cash Profit	Rs mn	7,884	8,609	30,899	29,043	23,518	19,842	11,751
Gross Block + CWIP ¹	Rs mn	372,358	361,259	351,045	258,371	201,810	149,382	97,202
Net Worth	Rs mn	125,240	124,341	122,767	114,101	133,405	35,446	21,798
Loan Funds	Rs mn	113,087	104,323	105,575	65,264	77,631	65,154	42,505
Cash & Cash Equivalent	Rs mn	1,080	534	13,902	14,005	49,614	10,535	18,212
Net Debt to EBITDA ²	unit	2.68	2.43	2.76	1.68	1.02	2.41	1.63
Net Debt to Net Worth	unit	0.89	0.83	0.75	0.45	0.21	1.54	1.11
ROCE	%	5.2%	6.7%	5.9%	8.1%	11.6%	18.2%	15.3%

¹ Includes Rs. 57,686 mn paid for 3G spectrum in FY11

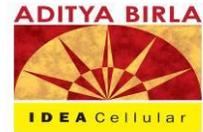
² Net Debt to EBITDA, for the quarter, is based on the annualised figure of quarterly EBITDA

3. Company Overview

Idea Cellular Limited ("Idea") is the third largest wireless operator in India with a Revenue Market Share (RMS) of 13.9% (Q1FY12). In the 13 Established Service Areas, its RMS stands at strong 18.3% (Q1FY12). The company carries around 1.15 billion minutes on a daily basis and is among the top 10 operators in the world, in terms of voice minutes usage. Idea is listed on National Stock Exchange and Bombay Stock Exchange in India with a market capitalization of Rs 326 billion (as on 30th Sep, 2011).

A. Promoter Group

Idea is part of the Aditya Birla Group, a US\$ 35 billion corporation. The Aditya Birla Group is in the League of Fortune 500 and has businesses in sectors ranging from metals, garments, cement, fertilisers, life insurance and financial services among others. Over 60% of Group's revenues are derived from overseas operations. The group operates in 33 countries, and is anchored by an extraordinary force of over 133,000 employees belonging to 42 nationalities. The current Group holding of 46.00% in Idea is made up of;



Aditya Birla Nuvo Ltd.	25.33%
Birla TMT Holdings Pvt. Ltd.	8.58%
Hindalco Industries Ltd.	6.91%
Grasim Industries Ltd.	5.17%
Others	0.01%
Total	46.00%

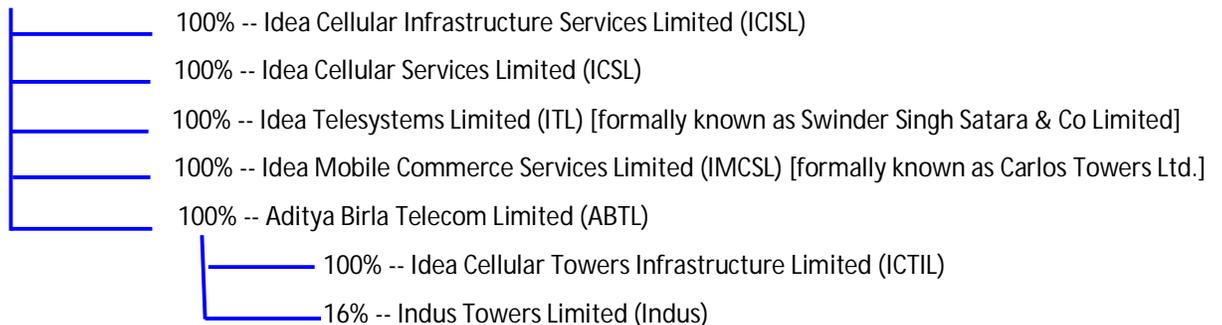
B. Key Shareholders

Axiata Group Berhad (previously TM International Berhad), through its affiliates, has 19.97% shareholding in Idea Cellular. Axiata is one of the largest Asian telecommunication companies focused on high growth low penetration emerging markets. The Group currently has controlling interests in its mobile communications operations in Malaysia, Indonesia, Sri Lanka, Bangladesh and Cambodia as well as strategic stakes in India and Singapore through its various subsidiaries and affiliates. The Group, including its subsidiaries and associates, has over 160 million mobile subscribers in Asia and provides employment to over 25,000 people across Asia.

Providence Equity Partners, through its affiliates has a 9.98% shareholding in Idea, and has also invested INR 20,982 mn in ABTL through Compulsorily Convertible Preference Shares.

C. Corporate Structure

Idea Cellular Limited (Idea)



ICISL – A tower company owning towers in Bihar and Orissa service areas.

ICSL – Provides manpower services to Idea.

ITL – Engaged in the business of sale and purchase of Devices.

IMCSL – To promote Mobile banking related initiatives.

ABTL – Holds 16% shareholding in Indus.

ICTIL – Holds towers de-merged from Idea, which will subsequently merge into Indus.

Indus – A joint venture between Bharti Infratel, Vodafone Essar and Idea (through ABTL), to provide passive infrastructure services in 15 service areas.

D. Business Segments

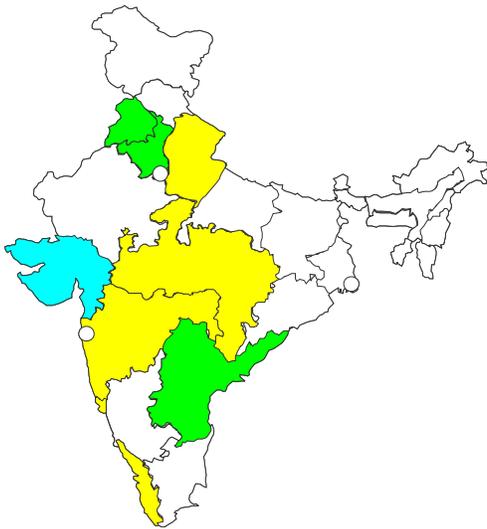
Mobile Operations – Idea provides mobile services in all 22 service areas of India. The mobile business of Idea Cellular is segregated as 13 Established Service Areas (evolved with time in terms of profitability) and 9 New Service Areas (launched in FY09 & FY10 and gestating in terms of profitability).

Idea won 3G spectrum in 11 important service areas which covers 76% of its existing revenue and accounts for half of national mobility revenue. Idea currently offers 3G services in 20 service areas (excluding Orissa and Punjab), through a combination of home network and roaming arrangements.

Long Distance Services and ISP – Idea holds licenses for NLD, ILD, ISP and IP-1 services. Idea currently has over 58,000 km fibre cable transmission network to tap the future potential of wireless broadband. Idea is also expanding OFC PoPs and presently has over 1400 PoPs in 91 cities & linked highways. The fibre network of the company optimally serves our 2G/ 3G/ NLD/ ILD/ ISP/Wireless Broadband needs. Idea NLD currently carries over 94% of Idea’s captive NLD minutes. Idea ILD currently handles over 94% of captive ILD outgoing minutes, the capacity of which is further being expanded.

4. Strength Areas

A. Revenue Market Share (RMS)* Profile



Service Area	RMS Q1 FY12*	Rank	Winner of 3G Spectrum
Kerala	31.3%	1	Yes
M.P.	31.2%	1	Yes
Maharashtra	28.9%	1	Yes
UP (W)	27.3%	1	Yes
Haryana	21.0%	2	Yes
Punjab	19.3%	2	Yes #
A.P	16.9%	2	Yes
Gujarat	17.1%	3	Yes

*Based on gross revenue for Mobile and UAS Licenses, released by the TRAI.
#Authorisation for commercial use of 3G spectrum is awaited

The incumbency advantage coupled with the benefit of 900 MHz spectrum in the above 8 service areas, gives a combined RMS of 23.9% to Idea making it the second largest operator in these service areas put together. These service areas are of significance as these contribute around 41% of national mobility revenue and 70% of Idea’s revenue. Idea won 3G spectrum in all these strategically important service areas. Idea’s 2G and 3G spectrum footprint in these service areas, places Idea in an advantageous competitive position.

B. Emerging Geographies

Service Area	RMS Q1 FY12*	Rank
UP (E)	11.9%	3
Rajasthan	9.7%	3
Bihar	9.4%	4
Delhi	10.1%	4
Karnataka	8.5%	5
H.P.	7.2%	5
Mumbai	7.0%	6

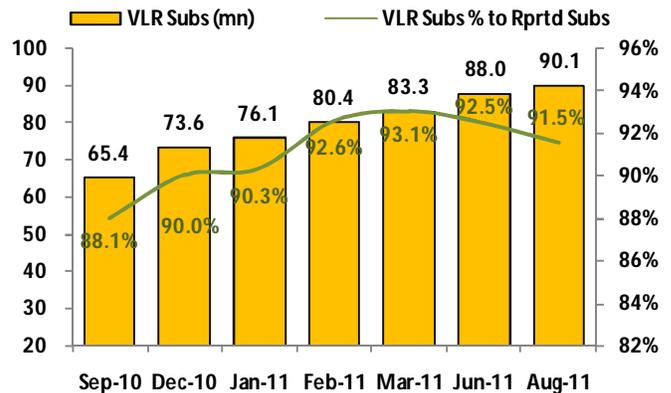
*Based on gross revenue for Mobile and UAS Licenses, released by the TRAI

Over the last few quarters, Idea has strengthened its position in some of the service areas, where it was a late entrant with 1800 MHz spectrum, except Karnataka service area where it holds 900 MHz spectrum. The emergence of Idea as a significant player in these service areas reaffirms Idea's intrinsic competitive capabilities. Idea holds 3G spectrum for the service areas of UP (E) and H.P. out of these service areas.

C. 100 million Quality Subscriber Base

Idea is pleased to join the select global operator's club servicing over 100 million subscribers. This large base of subscribers provides a great platform to the company for upgrading these pure voice customers, in future, to voice and wireless data services.

Idea has always been vigilant in monitoring the quality of its subscriber base. The latest (August 2011) data released by the TRAI for VLR subscribers (active subscribers), reaffirms quality of Idea's subscriber base as among the best in terms of percentage of active subscribers. As of 31st Aug'11, Idea has over 91% of reported subscribers as VLR subscribers, which is highest in the industry. Idea's VLR EoP subscriber market share is 14.9%, in Aug, 2011. (as against a subscriber EoP market share of 11.4%)



Source: TRAI

D. Mobile Number Portability

The Mobile Number Portability (MNP) was implemented nation-wide on 20th January, 2011. The trends emerging from MNP are clearly distinguishing the strong operators in terms of customers' preference for better quality of services and brand value. Idea is leading the industry as highest MNP provider with a net gain of 1.3 mn subscribers (as on October 16, 2011) and lowest port-out ratio of only 61 subscribers against every 100 subscribers.

5. Financial Highlights

A. Standalone Profit & Loss Account

INR mn

	For the Quarter				
	Q2FY12	Q1FY12	Q4FY11	Q3FY11	Q2FY11
Gross Revenue	46,554	45,559	42,691	39,901	36,891
Opex	36,118	34,893	33,197	31,688	29,273
EBITDA	10,436	10,666	9,494	8,214	7,618
EBITDA Margin	22.4%	23.4%	22.2%	20.6%	20.7%
Depreciation & Amortisation	6,726	6,389	5,940	5,362	5,265
EBIT	3,710	4,278	3,554	2,852	2,353
Interest and Financing Cost (net)	2,538	2,061	486	572	665
PBT	1,172	2,217	3,068	2,280	1,688
Tax	379	676	492	72	58
PAT	793	1,541	2,576	2,209	1,630
Cash Profit	7,884	8,609	9,031	7,674	6,982

B. Consolidated Profit & Loss Account

INR mn

	For the Quarter				
	Q2FY12	Q1FY12	Q4FY11	Q3FY11	Q2FY11
Gross Revenue	46,199	45,207	42,347	39,556	36,592
Opex	34,333	33,167	31,595	30,074	27,804
EBITDA	11,866	12,040	10,752	9,482	8,788
EBITDA Margin	25.7%	26.6%	25.4%	24.0%	24.0%
Depreciation & Amortisation	7,369	7,026	6,572	5,925	5,820
EBIT	4,498	5,014	4,180	3,557	2,968
Interest and Financing Cost (net)	2,939	2,463	854	941	1,028
PBT	1,559	2,551	3,326	2,616	1,940
Tax	501	778	581	186	143
PAT	1,058	1,773	2,745	2,430	1,797
Cash Profit	8,913	9,580	9,921	8,573	7,789

C. Revenue & Profitability Break-up

Revenue Break-up	INR mn		EBIT Break-up	INR mn	
	Q2FY12	Q1FY12		Q2FY12	Q1FY12
Gross Revenue - Established Service Areas	41,579	40,746	EBIT - Idea Standalone	3,710	4,278
Gross Revenue - New Service Areas	4,975	4,814	EBIT Contribution - Indus (@16.00%)	788	736
Revenue - Idea Standalone	46,554	45,559	EBIT - Idea Consolidated	4,498	5,014
Revenue Contribution - Indus (@16.00%)	3,089	3,078			
Consolidation Eliminations	(3,443)	(3,430)			
Revenue - Idea Consolidated	46,199	45,207			
EBITDA Break-up	For the Quarter		Interest & Finance Cost Break-up	For the Quarter	
	Q2FY12	Q1FY12		Q2FY12	Q1FY12
EBITDA - Established Service Areas	12,212	12,064	Gross Interest Cost - Idea Standalone	2,259	2,292
EBITDA - New Service Areas	(1,776)	(1,397)	Gross Interest Income - Idea Standalone	(34)	(244)
EBITDA - Idea Standalone	10,436	10,666	Forex Loss/(Gain) - Idea Standalone	313	13
EBITDA Contribution - Indus (@16.00%)	1,430	1,374	Int. & Fin. Cost (net) - Idea Standalone	2,538	2,061
EBITDA - Idea Consolidated	11,866	12,040	Int. & Fin. Cost (net) from Indus (@16.00%)	401	403
			Int & Fin Cost (net) - Idea Consolidated	2,939	2,463
EBITDA Margins	For the Quarter		Tax Break-up	For the Quarter	
	Q2FY12	Q1FY12		Q2FY12	Q1FY12
EBITDA % - Established Service Areas	29.4%	29.6%	Tax - Idea Standalone	379	676
EBITDA % - New Service Areas	-35.7%	-29.0%	Tax - Indus (@16.00%)	122	102
EBITDA % - Idea Standalone	22.4%	23.4%	Tax - Idea Consolidated	501	778
Derived EBITDA % Indus	46.3%	44.6%			
EBITDA % - Idea Consolidated	25.7%	26.6%			
Dep. & Amort. Break-up	For the Quarter		PAT Break-up	For the Quarter	
	Q2FY12	Q1FY12		Q2FY12	Q1FY12
Dep & Amort. - Idea Standalone	6,726	6,389	PAT - Idea Standalone	793	1,541
Dep. & Amort. Cost from Indus (@16.00%)	643	637	PAT Contribution - Indus (@16.00%)	265	232
Dep. & Amort. - Idea Consolidated	7,369	7,026	PAT - Idea Consolidated	1,058	1,773

Note 1: Impact of the joint venture is presented to provide a perspective to Idea's consolidated financials. Due to differences in accounting treatment, these may not be representative of the financial statements of joint ventures.

Note 2: The IRU income from Indus (w.e.f. 01st January, 2009) is treated as revenue in Idea Standalone. This treatment may change, as and when the scheme of merger of ICTIL with Indus towers currently filed with the Hon'ble High Court of Delhi, is sanctioned and made effective.

D. Summarized Balance Sheet

INR mn

Particulars	Idea Standalone - As on		Idea Consolidated - As on	
	30-Sep-11	31-Mar-11	30-Sep-11	31-Mar-11
Sources of Funds				
Equity Share Capital	33,060	33,033	33,060	33,033
Preference Share Capital	19	19	19	19
Outstanding Emp. Stock Options	419	478	419	478
Reserves & Surplus	91,742	89,237	92,471	89,469
Loan Funds	113,087	105,575	127,157	120,705
Deferred Tax Liability(net)	3,959	2,940	4,342	3,099
Total	242,286	231,282	257,468	246,804
Application of Funds				
Gross Block	363,279	315,084	386,925	336,977
Less: Depreciation & Amortisation	120,761	108,005	126,157	112,128
Net Block	242,518	207,079	260,768	224,849
CWIP	9,079	35,961	9,555	36,467
Goodwill	61	61	61	61
Cash & Cash equivalent	1,080	13,902	1,222	14,777
Net Current Assets	(10,453)	(25,720)	(14,138)	(29,351)
Total	242,286	231,282	257,468	246,804

6. Key Performance Indicators

A. Financial Indicators – Idea Standalone

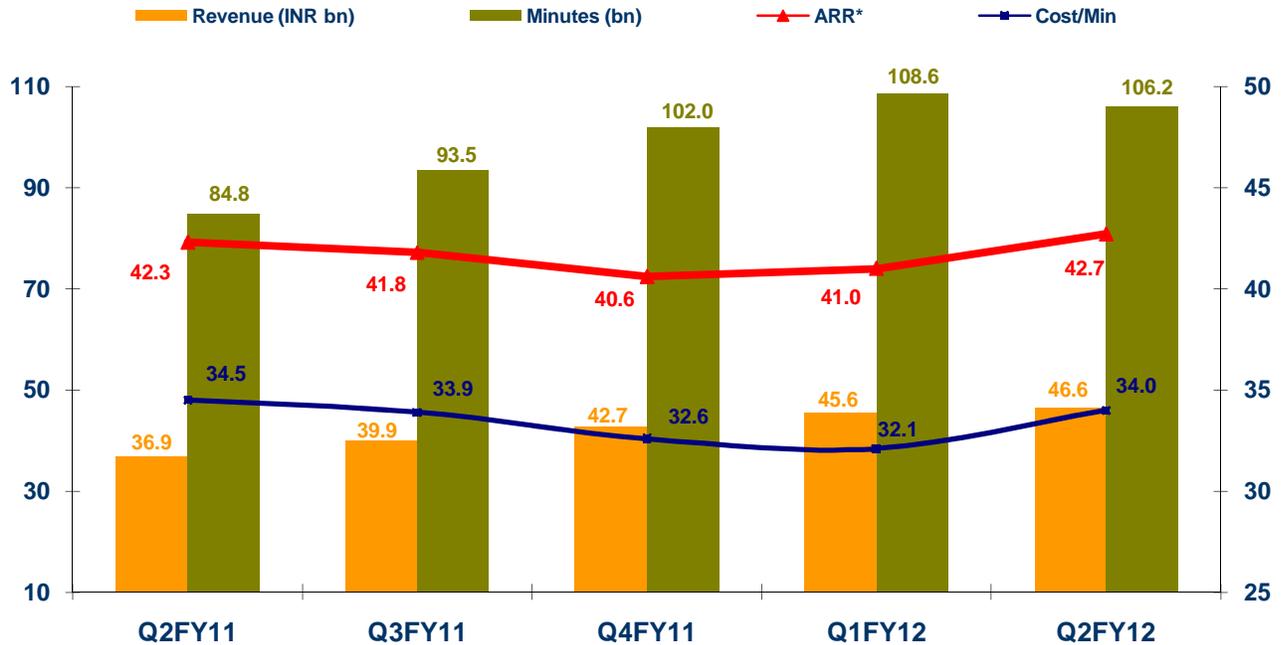
Parameters	For the Quarter				
	Q2FY12	Q1FY12	Q4FY11	Q3FY11	Q2FY11
Gross Revenue (INR mn)	46,554	45,559	42,691	39,901	36,891
Growth (%) QoQ	2.2%	6.7%	7.0%	8.2%	0.0%
EBITDA (INR mn)	10,436	10,666	9,494	8,214	7,618
EBITDA (%)	22.4%	23.4%	22.2%	20.6%	20.7%
EBIT (INR mn)	3,710	4,278	3,554	2,852	2,353
EBIT (%)	8.0%	9.4%	8.3%	7.1%	6.4%
Gross Revenue/min (paisa)	43.8	41.9	41.9	42.7	43.5
EBIT/min (paisa)	3.5	3.9	3.5	3.0	2.8
Gross Fixed Assets (INR mn)	363,279	349,303	315,084	268,037	261,892
Annualised Revenue/Gross Fixed Assets	51.3%	52.2%	54.2%	59.5%	56.3%

B. Operational Indicators – Idea Standalone

	Unit	Quarter Ended				
		Q2FY12	Q1FY12	Q4FY11	Q3FY11	Q2FY11
Subscriber Base (EoP)	mn	100.2	95.1	89.5	81.8	74.2
Pre-paid Subs (% of EoP subscribers)	%	96.5%	96.5%	96.4%	96.3%	96.1%
Average Revenue per User (ARPU)	INR	155	160	161	168	167
Average Minutes of Use per User (MoU)	min	364	391	397	401	394
Average Realised Rate (ARR)	paisa	42.7	41.0	40.6	41.8	42.3
VAS as a % of Service Revenue	%	13.2%	12.1%	12.1%	13.0%	12.9%
Post-paid Churn	%	3.0%	3.0%	2.7%	2.8%	2.9%
Pre-paid Churn	%	10.1%	9.8%	11.0%	10.3%	8.2%
Blended Churn	%	9.9%	9.6%	10.7%	10.0%	8.0%
Total Minutes of Use	mn	106,224	108,630	101,960	93,503	84,828
Total 3G Cell Sites (EoP)	no.	9,744	6,989			
Total 2G Cell Sites (EoP)	no.	78,367	76,291	73,668	70,208	67,980
Towers - Rented Indus (EoP)	no.	41,865	40,953	39,587	37,819	36,618
Towers - Rented Others (EoP)	no.	27,369	26,213	25,004	23,445	22,524
Owned Towers (EoP)	no.	9,133	9,125	9,077	8,944	8,838
Tenancy Ratio - Owned Towers	times	1.54	1.54	1.54	1.53	1.53
Owned Towers - IRU (EoP)	no.	11,094	11,094	11,094	11,094	11,094
Manpower on Rolls (EoP)	no.	7,581	7,440	7,282	7,141	6,949
Average Revenue per Employee per Month	INR '000	2,066	2,063	1,973	1,888	1,769
Subscribers per Employee	no.	13,215	12,783	12,291	11,452	10,680

7. Management Discussion & Analysis

A. Global Scale of Operations



*Calculated by dividing service revenue (excl. infrastructure revenue) by total Minutes on Network

Idea Cellular joined a select club of global operators with 100 million quality subscribers, providing it a platform for next level of growth in Voice, Wireless Broadband and related telecom services. During the quarter, Idea carried 106.2 billion Minutes on its Network. Idea is among the top 10 Global operators in terms of voice minutes of usage. These numbers are an emphatic testimony to the global scale of Idea's operations.

Idea's strategy to dig deep in 13 established Service Areas has helped it to sustain its position as the 'fastest growing large Indian telecom operator', reaching national revenue market share of 13.9% in Q1FY12 and retaining its 'MNP Leadership' with a net gain of 1.3 million subscriber (as on 16th October) from other existing operators.

As hyper competitive phase draws to an inevitable close, and the consumer demand transitions from pure voice to voice and data, Idea Cellular is well positioned, with a pan India presence, strong balance sheet, brand power and consumer traction, to profit from long term opportunities in the Wireless Telecom Market.

B. Seasonally Subdued Quarter

With the increasing proportion of rural subscribers, the market weakness in the second quarter has become more pronounced, resulting in 2.2% of sequential quarterly revenue growth after high growth of 6.7% and 7.0% in the previous two quarters. But, when compared on a YoY basis, Idea revenue grew by 26.2% from Rs. 36,891 million in Q2FY11.

The voice 'minutes of use' contracted, largely due to seasonality, by 2.2% to 106.2 billion compared to Q1FY12. The depression in the minutes has been compensated with a healthy 4.2% improvement in Average Realised Rate (ARR) from 41.0p to 42.7p. Factors supporting improvement in ARR are increase in VAS contribution, up from 12.1% to 13.2%, roaming revenue and revision in promotional tariffs.

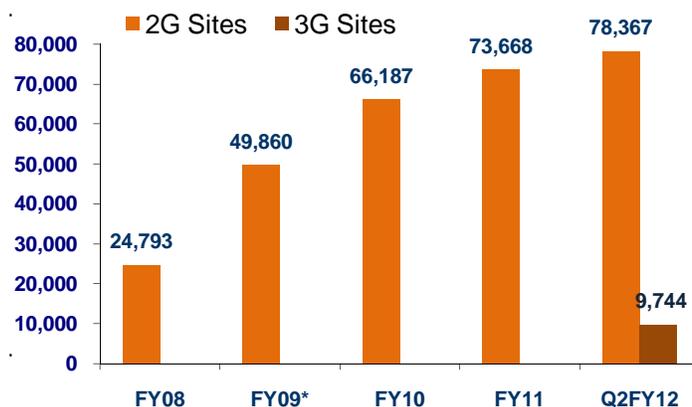
The standalone EBITDA margin compressed by 1% to 22.4% over previous quarter, primarily due to higher manpower cost (annual increment) and network expenses. However, in absolute term the company EBITDA has grown to Rs. 10,436 million (Q2 FY12) in comparison to Rs. 7,618 million (Q2 FY11), an increase of 37% on YoY basis. Similarly, in spite of high investment in 2G, 3G and 3G spectrum auction; the company has managed to grow its EBIT to Rs. 3,710 million, reflecting a growth of 58%, over Q2FY11.

The challenging external environment pushed the Profit After Tax (PAT) on a standalone basis down to Rs. 793 million against Rs. 1,541 million in the previous quarter, on account of net high interest & finance cost of Rs. 2,538 million, including Rs. 313 million of forex loss. The Cash Profit stands at Rs. 7,884 million for Q2 FY12.

The company's 3G investment plans are on track and high speed broadband services are now available across 1,600 towns, in 20 service areas (including 3G roaming arrangement) in India. The 3G services will help Idea's 100 million subscribers to move to the new digital age as the company gears itself to participate in NTP 2011 vision of 'Broadband for All'.

The capex of Rs. 11.0 billion and increase in current assets by Rs. 4.9 billion during the quarter has been met by increase in net debt by Rs. 8.2 billion and cash profit of Rs. 7.9 billion. The capex and net debt amounts are higher by Rs. 2.8 billion each due to impact of rupee depreciation during the quarter. The Net Debt stands at Rs. 112.0 billion as on September 30, 2011 with the Net Debt to Equity ratio at 0.89 and Net Debt to EBITDA (Annualised) ratio for the quarter at 2.68. The Net-Worth of Rs. 125.2 billion, together with an average Cash Profit of around Rs. 8 billion per quarter, provides a solid foundation to support the company's strategic intent.

C. Capex



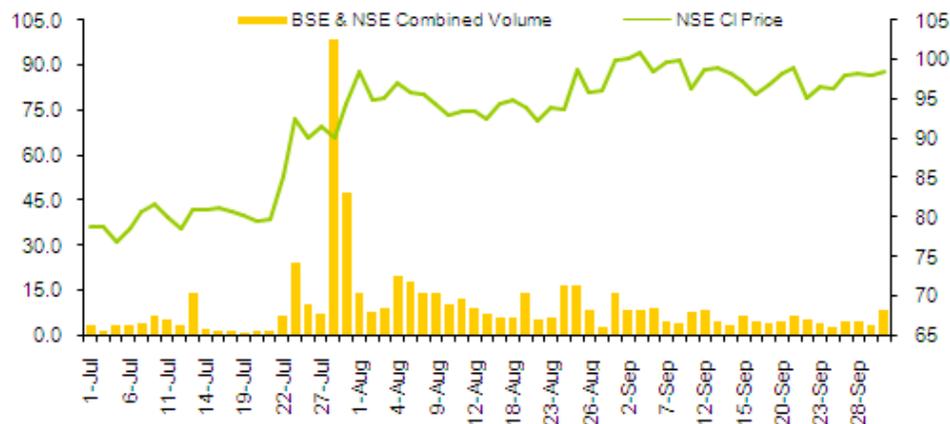
Idea rolled out 2,076 2G cell sites during the quarter, taking EoP 2G cell sites count to 78,367, while count of 3G cell sites (Node B) increased to 9,744 compared to 6,989 in Q1FY12. Idea 3G network currently covers over 1,600 towns in 20 service areas.

The Total addition to the Gross Block including CWIP was Rs. 11.0 billion for Q2FY12. For FY12 the total capex guidance for Idea Standalone stands at Rs. 40 billion.

8. Stock Market Highlights

General Information		
BSE Code		532821
NSE Symbol		IDEA
Reuters		IDEA.BO/IDEA.NS
No of Shares Outstanding (30/09/2011)	mn	3306.01
Closing Market Price - NSE (30/09/2011)	INR/share	98.50
Combined Volume (NSE & BSE) (01/07/2011 to 30/09/2011)	mn/day	9.7
Combined Value (NSE & BSE) (01/07/2011 to 30/09/2011)	INR mn/day	904.7
Market Capitalisation (30/09/2011)	INR bn	326
EPS (excl. Joint Ventures) for the Quarter	INR/share	0.24
Enterprise Value (30/09/2011)	INR bn	438
Price to Earning	times	102.7
Price to Cash Earning	times	10.3
Price to Book Value	times	2.6

Idea Cellular Daily Stock Price (NSE) & Volume (Combined of BSE & NSE) Movement
 Volume (no. of Shares in mn) Closing Price (INR)



9. Shareholding Pattern as on Sept 30, 2011:

Particulars	Idea Cellular Ltd.	
Promoter and Promoter Group	No. of Shares	% holding
Indian	1,520,679,047	46.00%
Foreign		
Public Shareholding	No. of Shares	% holding
Foreign Holding	1,394,027,809	42.17%
Indian Institutions	288,362,168	8.72%
Others	102,940,178	3.11%
Total	3,306,009,202	100.00%

10. Glossary

Definitions/Abbreviation	Description/Full Form
Established service areas	Represent 13 service areas of Maharashtra & Goa, Gujarat, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Delhi, Kerala, Haryana, Uttar Pradesh West & Uttaranchal, Uttar Pradesh East, Rajasthan and Himachal Pradesh service areas, and also include the service areas of Punjab and Karnataka of erstwhile Spice from March 01, 2010
Annualized EBITDA	Annualised figure of quarterly EBITDA
ARPU (Average Revenue Per User)	Is calculated by dividing services revenue (exclusive of infrastructure revenues) for the relevant period by the average number of subscribers during the period. Average number of subscribers during the period is calculated as average of average subscribers for each month. The result obtained is divided by the number of months in that period to arrive at the ARPU per month figure
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ARR (Average Realised rate)	ARR is calculated as ARPU divided by MoUs/Subscriber
Book Value/Share	Is calculated as Total Assets reduced by loan funds and deferred tax liability, divided by the number of outstanding equity shares
BSE	Bombay Stock Exchange
Churn	Churn relates to subscribers who are removed from the EoP base for discontinuing to use the service of the company
Cash Profit	Is calculated as the summation of PAT, Depreciation, charge on account of ESOPs and Deferred Tax, for the relevant period.
Cash Earning / Share	Is calculated by dividing the cash profit for the period by weighted average number of outstanding equity shares.
DoT	Department of Telecommunications
EBIT	Earnings Before Interest and Tax
EBITDA (Earnings before interest, tax, depreciation and amortisation)	This is the amount after deducting operating expenditure from total income. Total income is comprised of service revenue, sales of trading goods and other income. Operating expenditure is comprised of cost of trading goods, personnel expenditure, network operating expenditure, license and WPC charges, roaming and access charges, subscriber acquisition and servicing expenditure, advertisement and business promotion expenditure and administration & other expenses
Enterprise Value	Is calculated as the summation of Market Capitalisation and Net Debt
EPS	Earning per share, is calculated by dividing the Profit after Tax for the period by the weighted average number of outstanding equity shares
EoP	End of period
FY	Financial year ending March 31
GSM	Global System for Mobile communications, the most popular standard for

Definitions/Abbreviation	Description/Full Form
	mobile telephony in the world
Gross Revenue	Is calculated as the summation of service revenue, revenue from sale of trading goods and other non-service revenue.
Indian GAAP	Indian Generally Accepted Accounting Principles
IRU	Indefeasible right of use
MoUs/Sub (Average Minutes of Usages per Subs)	Is calculated as, total Minutes of Use by Mobile Subscribers during the period divided by the average of subscribers during the period
Net Adds	Refers to net customer additions which is calculated as the difference between the closing and the opening customers for the period
Net Debt	Total loan funds reduced by cash and cash equivalents
Net Worth	Calculated as the summation of Share Capital and Reserves & Surplus reduced by debit balance of Profit & Loss account
New Service Areas	Represent 9 service areas of Mumbai, Bihar, Orissa, Tamil Nadu, J&K, Kolkata, West Bengal, Assam and the North East service areas.
NSE	National Stock Exchange
PBT	Profit before Tax
PAT	Profit after Tax
Price to Book Value	Is calculated by dividing the closing market price at the end of the quarter (NSE) by the Book Value/ Share
Price to Cash Earning	Is calculated by dividing the closing market price at the end of the quarter (NSE) by the annualised Cash Earning/Share
Price to Earning	Is calculated by dividing the closing market price (NSE) by the annualised EPS
ROCE	ROCE is calculated as a) for the year: PAT plus gross int. & fin. cost divided by average capital employed for the year, b) for the quarter : PAT plus gross int. & fin. cost for the quarter is annualised and divided by capital employed for the quarter. Capital employed is taken as the average of opening and closing of Shareholders Funds and Loan Funds reduced by the debit balance of P&L account, for the respective period
Subscribers	Mobile telephone service customers
SIM	Subscriber Identity Module
Service Area	Unless otherwise specifically mentioned, means telecom service areas in India as defined by the DoT.
TRAI	Telecom Regulatory Authority of India