

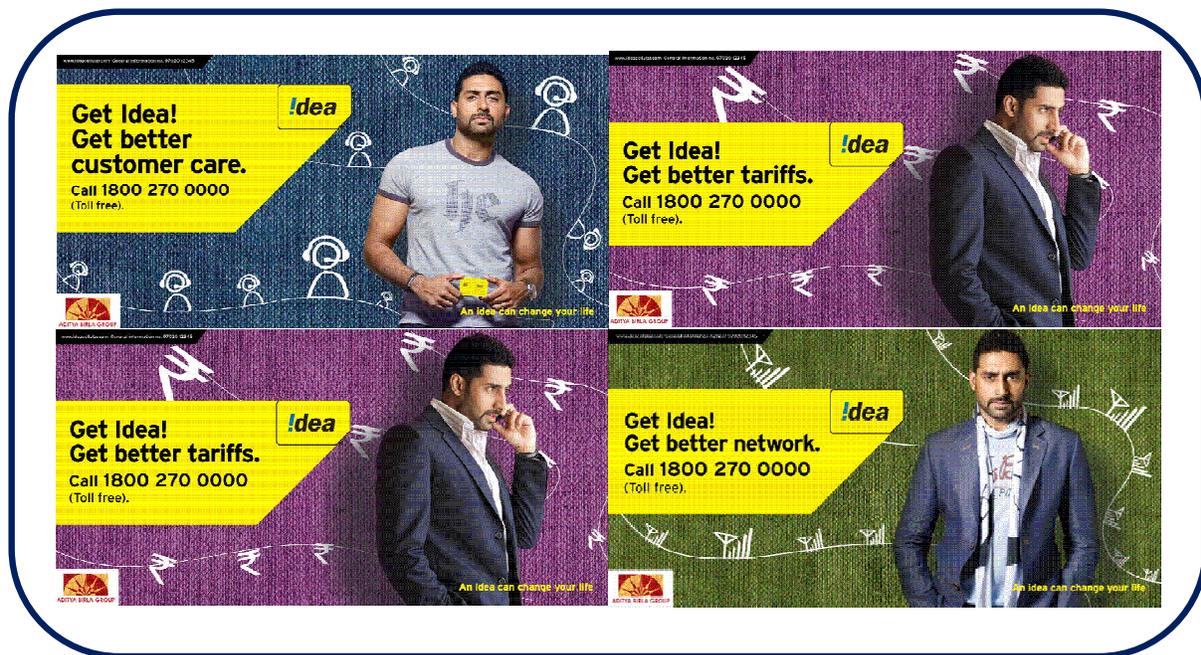


# Idea Cellular Limited

An Aditya Birla Group Company

## Quarterly Report

Third Quarter ended December 31, 2010



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

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



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## Supplemental Disclosures

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

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## 1. Performance at a glance – Idea Standalone<sup>1</sup>

Particulars	Unit	For the Quarter		Year Ended				
		Q3FY11	Q2FY11	FY 10	FY 09	FY 08	FY 07	FY 06
<b>Operating Highlights</b>								
Operating Service Areas (EoP)	nos.	22	22	22	13	11	11	8
Subscriber base (EoP)	mn	81.8	74.2	63.8	38.9	24.0	14.0	7.4
Cell Sites (EoP)	nos.	70,208	67,980	66,187	44,230	24,793	10,114	4,763
<b>Financial Highlights</b>								
Gross Revenue	Rs mn	39,901	36,891	121,413	99,713	67,374	43,873	29,869
EBITDA	Rs mn	8,214	7,618	30,538	27,548	22,693	14,862	10,864
PAT	Rs mn	2,209	1,630	10,298	9,561	10,423	5,023	2,118
Cash Profit	Rs mn	7,674	6,982	29,043	23,518	19,842	11,751	7,613
Net Worth	Rs mn	120,098	117,825	114,101	133,405	35,446	21,798	11,336
Loan Funds	Rs mn	97,566	97,541	65,264	77,631	65,154	42,505	32,856
Cash & Cash Equivalent	Rs mn	4,642	5,029	14,005	49,614	10,535	18,212	1,493
Net Debt to EBITDA <sup>2</sup>	unit	2.83	3.04	1.68	1.02	2.41	1.63	2.89
Net Debt to Net Worth	unit	0.77	0.79	0.45	0.21	1.54	1.11	2.77
ROCE	%	5.6%	4.7%	8.1%	11.6%	18.2%	15.3%	11.8%

<sup>1</sup> Idea, and its 100% subsidiaries. Effectively, this encompasses all operations, excluding Joint Ventures, Spice (till Feb 28, 2010) and Indus

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

## 2. Company Overview

Idea Cellular Limited ("Idea") is a leading pan India mobile service operator. The revenue market share (RMS) for the company, for Q2 FY11 stands at 12.8%, while for the Established Service Areas the RMS is 17.3%. Idea won 3G spectrum in 11 out of 22 service areas, covering ~80% of its existing revenue, in the recent auction.

### A. Promoter Group

Idea is part of the Aditya Birla Group, a US\$ 29 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 27 countries, and is anchored by an extraordinary force of over 130,600 employees belonging to 40 nationalities. The current Group holding of 46.96% in Idea is made up of;



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Aditya Birla Nuvo Ltd.	25.37%
Birla TMT Holdings Pvt. Ltd.	8.59%
Hindalco Industries Ltd.	6.92%
Grasim Industries Ltd.	5.18%
Others	0.91%
<b>Total</b>	<b>46.96%</b>

## B. Key Shareholders

**Axiata Group Berhad (previously TM International Berhad)**, through its affiliates, has 19.1% shareholding in Idea Cellular. Axiata is one of the largest Asian telecommunication companies focused on high growth low penetration emerging markets. Axiata has controlling stakes in its affiliates in Malaysia, Indonesia, Sri Lanka, Bangladesh and Cambodia, and significant stakes in India, Singapore and Iran. The Group, including its subsidiaries and associates, has over 150 million mobile subscribers in Asia and provides employment to over 25,000 people across Asia.

**Providence Equity Partners**, through its affiliates has a 10.0% 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.

SSSL – Engaged in the business of sale and purchase of Data Cards, Mobile Hand Sets and Fixed Wireless Phones.

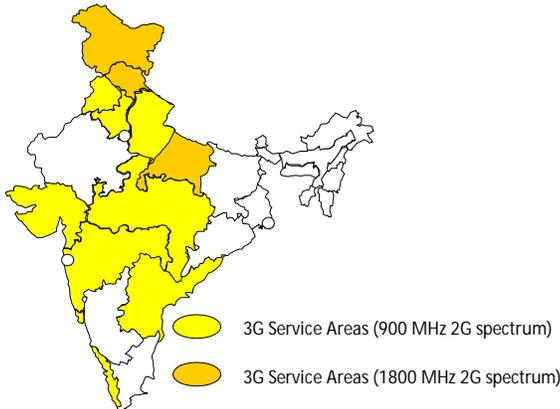
Carlos – Acquired through amalgamation of Spice Communications Ltd into Idea and presently not having any operations.

ABTL – Holds 16% shareholding in Indus.

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

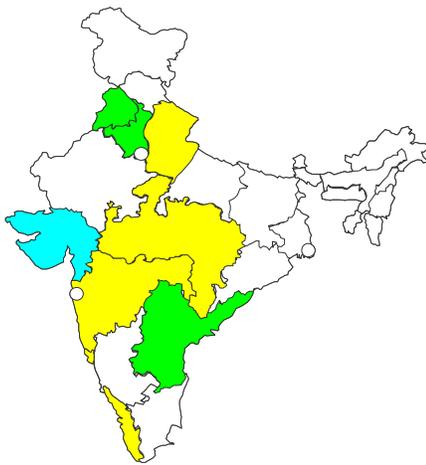
Indus –A joint venture between Bharti Infratel, Vodafone Essar and Idea (through ABTL), to provide passive infrastructure services in 15 service areas.

## D. 3G Profile



Idea was awarded 3G spectrum in 11 important service areas, where it is in the process of rolling out extensive 3G networks. While these areas cover ~ 50% of the Indian telecom sector revenue, they constitute ~80% of Idea's revenue. The 3G spectrum footprint of Idea covers all 8 service areas where Idea is # 1, #2 or #3. Idea's existing and new spectrum footprint places Idea in an advantageous competitive position.

## E. Revenue Market Share (RMS)\* Profile – 3G service areas where Idea is #1, #2 or #3



Service Area	RMS H1FY11	Rank
M.P.	30.2%	1
Kerala	29.6%	1
Maharashtra	29.2%	1
UP (W)	27.4%	1
Haryana	19.8%	2
Punjab	18.9%	2
A.P	16.3%	2
Gujarat	17.4%	3

\*Based on combined gross revenue for Mobile and UAS Licenses for Q1FY11 and Q2FY11, as released by the TRAI.

## F. Emerging Geographies

Over the last few quarter, Idea has strengthened its position in some of the service areas, where it was a late entrant. The emergence of Idea as a significant player in these service areas reaffirms Idea's intrinsic competitive capabilities.

Service Area	RMS Q2 FY11*	Rank
UP (E)	10.3%	4
Bihar	8.4%	4
H.P.	7.4%	4

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



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### 3. 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.

## 4. Financial Highlights

### A. Standalone Profit & Loss Account

INR mn

	For the Quarter				
	Q3FY11	Q2FY11	Q1FY11	Q4FY10	Q3FY10
Gross Revenue	39,901	36,891	36,897	33,011	30,610
Opex	31,688	29,273	28,960	24,683	23,407
EBITDA	8,214	7,618	7,937	8,328	7,203
<b>EBITDA Margin</b>	<b>20.6%</b>	<b>20.7%</b>	<b>21.5%</b>	<b>25.2%</b>	<b>23.5%</b>
Depreciation & Amortisation	5,362	5,265	5,160	4,928	4,422
Other Income/Receipt	-	-	-	(346)	-
EBIT	2,852	2,353	2,776	3,745	2,781
Interest and Financing Cost (net)	572	665	766	682	418
PBT	2,280	1,688	2,010	3,063	2,362
Tax	72	58	46	300	409
<b>PAT</b>	<b>2,209</b>	<b>1,630</b>	<b>1,964</b>	<b>2,763</b>	<b>1,953</b>
<b>Cash Profit</b>	<b>7,674</b>	<b>6,982</b>	<b>7,213</b>	<b>7,657</b>	<b>6,986</b>

### B. Consolidated Profit & Loss Account

INR mn

	For the Quarter				
	Q3FY11	Q2FY11	Q1FY11	Q4FY10	Q3FY10
Gross Revenue	39,556	36,592	36,537	33,477	31,495
Opex	30,074	27,804	27,653	24,242	23,354
EBITDA	9,482	8,788	8,884	9,235	8,141
<b>EBITDA Margin</b>	<b>24.0%</b>	<b>24.0%</b>	<b>24.3%</b>	<b>27.6%</b>	<b>25.8%</b>
Depreciation & Amortisation	5,925	5,820	5,656	5,667	5,130
Other Income/Receipt	-	-	-	(520)	-
EBIT	3,557	2,968	3,228	4,088	3,011
Interest and Financing Cost (net)	941	1,028	1,142	1,141	938
PBT	2,616	1,940	2,087	2,947	2,073
Tax	186	143	73	281	372
<b>PAT</b>	<b>2,430</b>	<b>1,797</b>	<b>2,014</b>	<b>2,666</b>	<b>1,701</b>
<b>Cash Profit</b>	<b>8,573</b>	<b>7,789</b>	<b>7,785</b>	<b>8,105</b>	<b>7,404</b>

### C. Revenue & Profitability Break-up

INR mn			INR mn		
Revenue Break-up	For the Quarter		EBIT Break-up	For the Quarter	
	Q3FY11	Q2FY11		Q3FY11	Q2FY11
Gross Revenue - Established Service Areas	35,941	33,507	EBIT - Idea Standalone	2,852	2,353
Gross Revenue - New Service Areas	3,960	3,384	EBIT Contribution - Indus (@16.00%)	705	615
<b>Revenue - Idea Standalone</b>	<b>39,901</b>	<b>36,891</b>	<b>EBIT - Idea Consolidated</b>	<b>3,557</b>	<b>2,968</b>
Revenue Contribution - Indus (@16.00%)	2,772	2,777			
Consolidation Eliminations	(3,117)	(3,075)			
<b>Revenue - Idea Consolidated</b>	<b>39,556</b>	<b>36,592</b>			
INR mn			INR mn		
EBITDA Break-up	For the Quarter		Interest & Finance Cost Break-up	For the Quarter	
	Q3FY11	Q2FY11		Q3FY11	Q2FY11
EBITDA - Established Service Areas	9,597	9,047	Gross Interest Cost - Idea Standalone	801	894
EBITDA - New Service Areas	(1,384)	(1,429)	Gross Interest Income - Idea Standalone	(207)	(179)
<b>EBITDA - Idea Standalone</b>	<b>8,214</b>	<b>7,618</b>	Forex Loss/(Gain) - Idea Standalone	(22)	(51)
EBITDA Contribution - Indus (@16.00%)	1,269	1,170	<b>Int. &amp; Fin. Cost (net) - Idea Standalone</b>	<b>572</b>	<b>665</b>
<b>EBITDA - Idea Consolidated</b>	<b>9,482</b>	<b>8,788</b>	Int. & Fin. Cost (net) from Indus (@16.00%)	370	363
			<b>Int &amp; Fin Cost (net) - Idea Consolidated</b>	<b>941</b>	<b>1,028</b>
INR mn			INR mn		
EBITDA Margins	For the Quarter		Tax Break-up	For the Quarter	
	Q3FY11	Q2FY11		Q3FY11	Q2FY11
EBITDA % - Established Service Areas	26.7%	27.0%	Tax - Idea Standalone	72	58
EBITDA % - New Service Areas	-34.9%	-42.2%	Tax - Indus (@16.00%)	114	85
<b>EBITDA % - Idea Standalone</b>	<b>20.6%</b>	<b>20.7%</b>	<b>Tax - Idea Consolidated</b>	<b>186</b>	<b>143</b>
Derived EBITDA % Indus	45.8%	42.2%			
<b>EBITDA % - Idea Consolidated</b>	<b>24.0%</b>	<b>24.0%</b>			
INR mn			INR mn		
Dep. & Amort. Break-up	For the Quarter		PAT Break-up	For the Quarter	
	Q3FY11	Q2FY11		Q3FY11	Q2FY11
Dep & Amort - Idea Standalone	5,362	5,265	PAT - Idea Standalone	2,209	1,630
Dep. & Amort. Cost from Indus (@16.00%)	563	555	PAT Contribution - Indus (@16.00%)	222	168
<b>Dep. &amp; Amort. - Idea Consolidated</b>	<b>5,925</b>	<b>5,820</b>	<b>PAT - Idea Consolidated</b>	<b>2,430</b>	<b>1,797</b>

**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, for the past period from the appointed date of merger to the effective date of merger of ICTIL into Indus.

## D. Summarized Balance Sheet

INR mn

Particulars	Idea Standalone - As on		Idea Consolidated - As on	
	31-Dec-10	31-Mar-10	31-Dec-10	31-Mar-10
<b>Sources of Funds</b>				
Equity Share Capital	33,016	32,998	33,016	32,998
Preference Share Capital	19	19	19	19
Outstanding Emp. Stock Options	512	444	512	444
Reserves & Surplus	85,409	85,299	85,409	85,299
Loan Funds	97,566	65,264	112,363	78,593
Deferred Tax Liability(net)	2,449	2,296	2,520	2,142
<b>Total</b>	<b>218,971</b>	<b>186,321</b>	<b>233,839</b>	<b>199,496</b>
<b>Application of Funds</b>				
Gross Block	268,037	253,644	288,736	270,585
Less: Depreciation & Amortisation	102,240	87,022	105,739	88,907
<b>Net Block</b>	<b>165,797</b>	<b>166,622</b>	<b>182,998</b>	<b>181,679</b>
CWIP	67,570	4,727	67,946	5,465
Goodwill	61	61	61	61
Cash & Cash equivalent	4,642	14,005	5,539	14,204
Net Current Assets	(17,957)	(3,754)	(21,501)	(6,949)
Profit & loss A/c	(1,142)	4,660	(1,204)	5,038
<b>Total</b>	<b>218,971</b>	<b>186,321</b>	<b>233,839</b>	<b>199,496</b>

## 5. Key Performance Indicators

### A. Financial Indicators – Idea Standalone

Parameters	For the Quarter				
	Q3FY11	Q2FY11	Q1FY11	Q4FY10	Q3FY10
Gross Revenue (INR mn)	39,901	36,891	36,897	33,011	30,610
Growth (%) QoQ	8.2%	0.0%	11.8%	7.8%	5.9%
EBITDA (INR mn)	8,214	7,618	7,937	8,328	7,203
EBITDA (%)	20.6%	20.7%	21.5%	25.2%	23.5%
EBIT (INR mn)	2,852	2,353	2,776	3,745	2,781
EBIT (%)	7.1%	6.4%	7.5%	11.3%	9.1%
Gross Revenue/min (paisa)	42.7	43.5	44.8	48.4	52.9
EBIT/min (paisa)	3.0	2.8	3.4	5.5	4.8
Gross Fixed Assets (INR mn)	268,037	261,892	258,229	253,644	216,320
Annualised Revenue/Gross Fixed Assets	59.5%	56.3%	57.2%	52.1%	56.6%

## B. Operational Indicators – Idea Standalone

	Unit	Quarter Ended				
		Q3FY11	Q2FY11	Q1FY11	Q4FY10	Q3FY10
Operating Service Areas	no.	22	22	22	22	20
Subscriber Base (EoP)	mn	81.8	74.2	68.9	63.8	52.3
Pre-paid Subs (% of EoP subscribers)	%	96.3%	96.1%	95.9%	95.7%	95.8%
Average Revenue per User (ARPU)	INR	168	167	182	185	200
Average Minutes of Use per User (MoU)	min	401	394	415	398	389
Average Realised Rate (ARR)	paisa	41.8	42.3	43.8	46.6	51.4
VAS as a % of Service Revenue	%	13.0%	12.9%	12.6%	12.4%	11.2%
Post-paid Churn	%	2.8%	2.9%	2.9%	3.0%	3.1%
Pre-paid Churn	%	10.3%	8.2%	8.4%	7.9%	9.4%
Blended Churn	%	10.0%	8.0%	8.2%	7.7%	9.1%
Total Minutes of Use	mn	93,503	84,828	82,274	68,275	57,841
Total Cell Sites (EoP)	no.	70,208	67,980	66,725	66,187	55,804
Cell Sites - Rented Indus (EoP)	no.	37,819	36,618	35,798	35,499	31,873
Cell Sites - Rented Others (EoP)	no.	23,445	22,524	22,208	22,016	15,625
Owned Towers (EoP)	no.	8,944	8,838	8,719	8,672	8,306
Tenancy Ratio - Owned Towers	times	1.53	1.53	1.54	1.54	1.56
Owned Towers - IRU (EoP)	no.	11,094	11,094	11,094	11,094	11,094
Manpower on Rolls (EoP)	no.	7,141	6,949	6,832	6,763	6,141
Average Revenue per Employee per Month	INR '000	1,888	1,769	1,806	1,741	1,676
Subscribers per Employee	no.	11,452	10,680	10,083	9,437	8,511

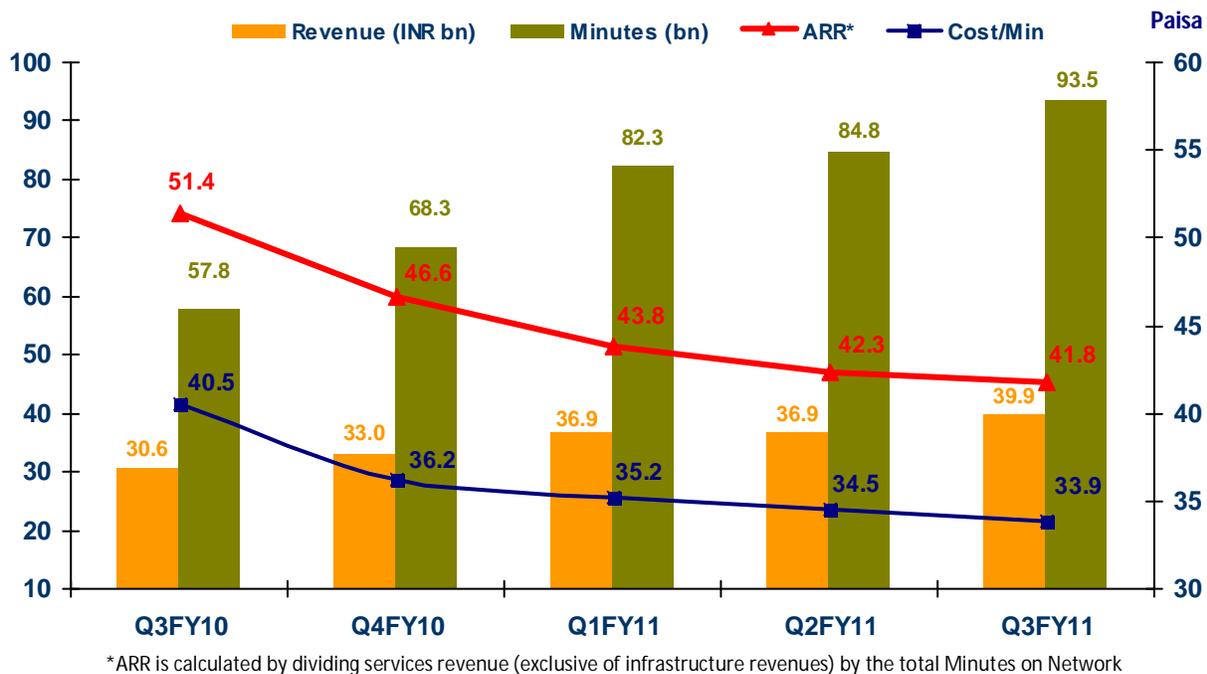
## 6. Management Discussion & Analysis

### Competitive by Global Standards

The Total Minutes of Use on Network crossed 'One Billion' per day during Q3 FY11. In spite of new operators and sector over-capacity, Idea's Total Minutes of Use on Network for Q3 FY11 are 61.7% higher than the same quarter a year ago (30.4% by revenue). The minute's percentage growth on a sequential quarter basis is also in double digits. These numbers are an emphatic testimony to the global scale of Idea's operations, and the sophistication of its management processes.

A striking statistic is that Idea's Realised Rate per Minute in the last quarter of 41.8p is very close to what the company's cost per minute was just one year ago (40.5p). However, evolved and evolving management processes coupled with scale benefit have brought the cost per minute down from 40.5p to 33.9p in just one year. Arguably, Idea is one of very very few companies in India, and consequently in the world, which can run a top-class service, invest in the future, absorb the start-up losses of several new service areas, and still pull out stable cash profit at these price points.

With each passing quarter the company is emerging stronger, and poised to benefit immensely from the undoubted long-term telecom sector opportunities, once the overcapacity phase draws to a close.



## Yet Another Quarter of Growing Competitiveness

Riding on improved seasonal demand in the October-December quarter, and upon the longer term trend of expanding market share, Idea grew its total Minutes on Network by 10.2%, while Standalone Revenue expanded by 8.2%, on a sequential quarterly basis. The Average Realised Rate per minute declined marginally to 41.8p, compared to 42.3p in the previous quarter.

During the quarter, the increase in Advertising and in Subscriber Acquisition & Servicing costs by ~2.5% (as a percentage of revenue), were substantially cushioned by volume led cost efficiencies, resulting in almost flat EBITDA margins. The EBITDA losses from the New Service Areas also remained almost unchanged in absolute terms, but exhibited an improvement in percentage terms.

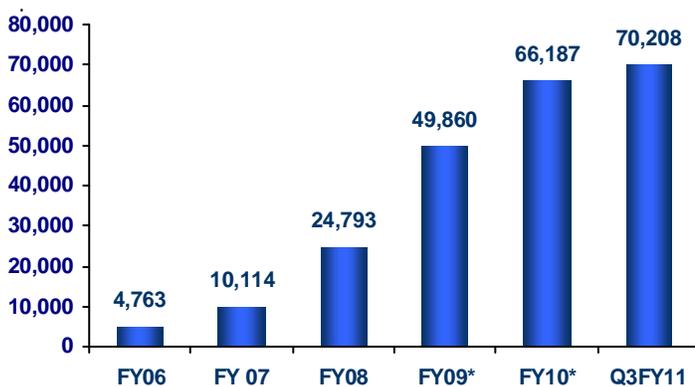
During the quarter, interest of Rs. 1,242 mn was capitalised against the payment for 3G auction fee. On a standalone basis, the PAT for the quarter stands at Rs. 2,209 mn, up 35.5% on a sequential basis, while Cash Profit of Rs. 7,674 mn grew by 9.9%.

The Net Debt as of December 31, 2010 stands at Rs. 92,924mn and the Net Debt - Equity ratio is 0.77. The Net-Worth of Rs. 120,098mn, together with an average Cash Profit of ~Rs. 7,000 mn per quarter, provides a solid foundation to support the company's strategic intent.

The preparatory work for 3G rollout is on track, and Idea will, in next few months, launch 3G services in the 11 service areas where it won the 3G spectrum. Further, Idea is finalising long-term arrangements with select quality operators for service areas where Idea was not awarded 3G spectrum. Together, these will enable Idea subscribers, throughout the country, to enjoy what will be the gold standard in 3G services, apart from deriving the benefit of nation-wide roaming.

## Capex

### Cell Sites (EoP)



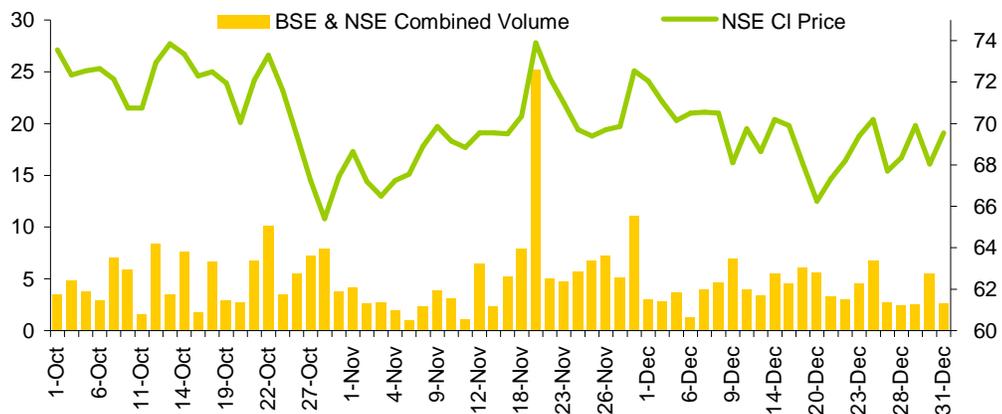
\*Includes Cell Sites of erstwhile Spice also

During the quarter, Idea rolled out 2,228 cell sites, taking EoP cell sites to 70,208. Total addition to the Gross Block including CWIP was Rs. 9,471mn for Q3 FY11. With this, the total addition to Gross Block including CWIP for YTD Q3 FY11 is Rs 17.5bn, whereas our capex guidance for the full year FY11 now stands revised to Rs 30bn (both excluding 3G spectrum fee and interest thereon). The lowered guidance is on account of some spill over into the next quarter, as also savings against earlier estimates.

## 7. Stock Market Highlights

General Information		
BSE Code		532822
NSE Symbol		IDEA
Reuters		IDEA.BO/IDEA.NS
No of Shares Outstanding (31/12/10)	mn	3301.56
Closing Market Price - NSE (31/12/10)	INR/share	69.55
Combined Volume (NSE & BSE) (01/10/10 to 31/12/10)	mn/day	4.9
Combined Value (NSE & BSE) (01/10/10 to 31/12/10)	INR mn/day	346
Market Capitalisation (31/12/10)	INR bn	230
EPS (excl. Joint Ventures) for the Quarter	INR/share	0.67
Enterprise Value (31/12/10)	INR bn	323
Price to Earning	times	26.0
Price to Cash Earning	times	7.5
Price to Book Value	times	1.9

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



## 8. Shareholding Pattern as on December 31, 2010:

Particulars	Idea Cellular Ltd.	
	No. of Shares	% holding
<b>Promoter and Promoter Group</b>		
Indian	1,550,455,388	46.96%
Foreign	-	-
<b>Public Shareholding</b>		
Foreign Holding	1,416,011,855	42.89%
Indian Institutions	230,835,076	6.99%
Others	104,258,122	3.16%
<b>Total</b>	<b>3,301,560,441</b>	<b>100.00%</b>

## 9. Glossary

Definitions/Abbreviation	Description/Full Form
Established service areas	Represent 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 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.
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 mobile telephony in the world

Definitions/Abbreviation	Description/Full Form
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 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.