

Idea Cellular Limited

An Aditya Birla Group Company

Quarterly Report – Fourth Quarter Ended March 31, 2012



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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. 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.

Notes:

1. The Hon'ble High Court of Delhi on 4th July 2011 has reaffirmed its order dated 5th February 2010 sanctioning the Scheme of Amalgamation of Spice Communications Limited (Spice) with the Company. However the judgment transferred and vested unto the DoT, the six telecom licenses granted to erstwhile Spice along with the spectrum (including two operational licenses for Punjab and Karnataka service areas) till the time permission of DoT is granted for transfer thereof upon an application from the Company to that effect. Meanwhile, through interim orders, Appellate Bench had earlier directed DoT to accept the License Fee from the Company without prejudice, as the Company is continuing to operate the licenses for Punjab & Karnataka service areas granted to erstwhile Spice; maintain status quo in relation to the aforesaid two operating licenses and no coercive steps in relation to any demand pertaining to the four non operating licenses. The judgment in the said matter is reserved. The financial results therefore continue to include the results of Punjab & Karnataka service areas.
2. The Company has challenged, along with other Telecom Operators, order of DoT dated 23rd December 2011, ordering Telecom Operators to stop provision of services under 3G Intra Circle Roaming Agreements where it has not won 3G Spectrum. The Hon'ble TDSAT has passed a “no coercive action” in the matter. The final judgment is since reserved.
3. The Hon'ble Supreme Court, while pronouncing its judgment dated 2nd February 2012 in Writ Petition filed, inter alia, by Centre for Public Interest Litigations & others, quashed the Press Release dt.10.01.2008 issued by the DoT and consequent grant of 122 licenses (including 7 operational licenses held by the Company and 6 non operational licenses, four out of the said 6 non operational licenses having been granted to erstwhile Spice Communications Limited which stands merged with the Company) and allocation of related spectrum. This directive of the Hon'ble Supreme Court, which was originally to become operational after four months from 02.02.2012, has been further extended on April 24, 2012 while disposing off the Clarificatory Application filed, inter alia, by the Company, till September 07, 2012.



2. Performance at a glance – Idea Standalone

Particulars	Unit	For the Quarter		For the Year				
		Q4FY12	Q3FY12	FY 12	FY 11	FY 10	FY 09	FY 08
Operating Highlights								
Operating Service Areas (EoP)	nos.	22	22	22	22	22	13	11
Subscriber base (EoP)	mn	112.7	106.4	112.7	89.5	63.8	38.9	24.0
2G - Cell Sites (EoP)	nos.	83,190	80,637	83,190	73,668	66,187	44,230	24,793
3G - Cell Sites (EoP)	nos.	12,825	10,902	12,825				
Financial Highlights								
Gross Revenue	Rs mn	54,035	50,652	196,800	156,380	121,413	99,713	67,374
EBITDA	Rs mn	12,070	11,986	45,159	33,262	30,538	27,548	22,693
PAT	Rs mn	2,016	1,687	6,036	8,378	10,298	9,561	10,423
Cash Profit	Rs mn	10,135	9,452	36,079	30,899	29,043	23,518	19,842
Gross Block + CWIP ¹	Rs mn	392,602	384,736	392,602	351,045	258,371	201,810	149,382
Net Worth	Rs mn	129,077	126,998	129,077	122,767	114,101	133,405	35,446
Loan Funds	Rs mn	120,957	116,745	120,957	105,575	65,264	77,631	65,154
Cash & Cash Equivalent	Rs mn	1,406	1,049	1,406	13,902	14,005	49,614	10,535
Net Debt to EBITDA ²	unit	2.48	2.41	2.65	2.76	1.68	1.02	2.41
Net Debt to Net Worth	unit	0.93	0.91	0.93	0.75	0.45	0.21	1.54
ROCE	%	6.7%	6.5%	6.3%	5.9%	8.1%	11.6%	18.2%

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

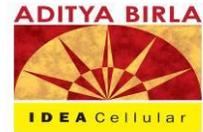
² Net Debt to EBITDA, for the quarter, is based on the annualised figure of quarterly EBITDA.

3. Company Overview

Idea Cellular Limited (“Idea”) is the third largest wireless operator in India with a Revenue Market Share (RMS) of 14.4% (Q3FY12). In the 13 Established Service Areas, its RMS stands at a strong level of 18.8% (Q3FY12). The company carries around 1.4 billion minutes on a daily basis and is among the Top 10 global operators, 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. 327 billion (as on 31st Mar, 2012).

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 36 countries, and is anchored by an extraordinary force of over 133,000 employees belonging to 42 nationalities. The current Group holding of 45.96% in Idea is made up of;



Aditya Birla Nuvo Ltd.	25.31%
Birla TMT Holdings Pvt. Ltd.	8.57%
Hindalco Industries Ltd.	6.90%
Grasim Industries Ltd.	5.17%
Others	0.01%
Total	45.96%

B. Key Shareholders

Axiata Group Berhad, through its affiliates, has 19.95% 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 190 million mobile subscribers in Asia and provides employment to over 25,000 people across Asia.

Providence Equity Partners, through its affiliates has a 9.97% 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.

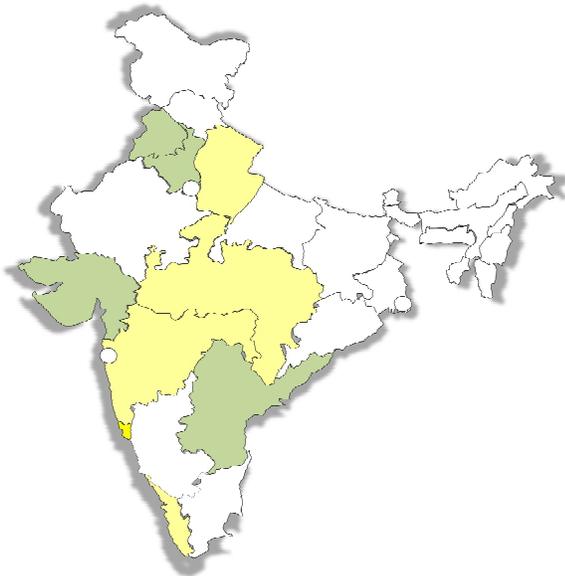
D. Business Segments

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 cover 75% of its existing revenue and account for around half of national mobility revenue. Idea currently offers 3G services in 20 service areas (excludes 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 around 65,000 km fibre cable transmission network to tap the future potential of wireless broadband. Idea is also expanding OFC PoPs and presently has over 1700 PoPs in 128 cities & linked highways. The fibre network of the company optimally serves our 2G/ 3G/ NLD/ ILD/ ISP/Wireless Broadband needs. Idea NLD currently carries around 93% of Idea’s captive NLD minutes. Idea ILD currently handles over 95% 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 Q3 FY12*	Rank	Winner of 3G Spectrum
M.P.	32.3%	1	Yes
Kerala	32.2%	1	Yes
Maharashtra	28.4%	1	Yes
UP (W)	27.7%	1	Yes
Haryana	22.8%	2	Yes
Punjab	20.1%	2	Yes #
A.P.	17.5%	2	Yes
Gujarat	17.1%	2	Yes
Total	24.4%	1	

* 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 24.4% to Idea making it the 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 Q3 FY12*	Rank
UP (E)	12.3%	3
Rajasthan	10.7%	3
Delhi	10.7%	3
Bihar	9.1%	4
Karnataka	8.8%	4
H.P.	7.9%	5
Mumbai	7.8%	5

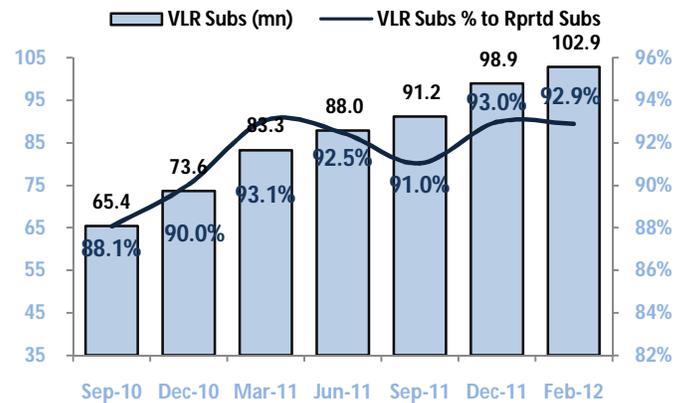
*Based on gross revenue for Mobile and UAS Licenses, released by the TRAI

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 with 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. Over 110 million Quality Subscriber Base

Idea is among the select global operators servicing over 110 million subscribers. This large base of subscribers provides a great platform to the company for upgrading the pure voice customers, to wireless data services in future.

Idea has always been vigilant in monitoring the quality of its subscriber base. The latest (Feb 2012) 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 29th Feb'12, Idea has around 93% of reported subscribers as VLR subscribers, which is highest in the industry. Idea's VLR EoP subscriber market share is 15.4% in Feb, 2011. (as against a subscriber EoP market share of 12.2%)



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 has extended its overall MNP leadership position with net gain of 2.9 million customers (as on April 22, 2012) from other operators, with one out of every four existing mobile customers, who chooses to port out, preferring Idea services

5. Financial Highlights

A. Standalone Profit & Loss Account

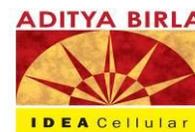
INR mn

	For the Quarter				
	Q4FY12	Q3FY12	Q2FY12	Q1FY12	Q4FY11
Gross Revenue	54,035	50,652	46,554	45,559	42,691
Opex	41,965	38,666	36,118	34,893	33,197
EBITDA	12,070	11,986	10,436	10,666	9,494
EBITDA Margin	22.3%	23.7%	22.4%	23.4%	22.2%
Depreciation & Amortisation	7,211	6,952	6,726	6,389	5,940
EBIT	4,860	5,035	3,710	4,278	3,554
Interest and Financing Cost (net)	1,960	2,527	2,538	2,061	486
PBT	2,900	2,508	1,171	2,217	3,068
Tax	883	821	379	676	492
PAT	2,016	1,687	793	1,541	2,576
Cash Profit	10,135	9,452	7,884	8,609	9,031

B. Consolidated Profit & Loss Account

INR mn

	For the Quarter				
	Q4FY12	Q3FY12	Q2FY12	Q1FY12	Q4FY11
Gross Revenue	53,697	50,308	46,199	45,207	42,347
Opex	40,125	36,862	34,333	33,167	31,595
EBITDA	13,571	13,446	11,866	12,040	10,752
EBITDA Margin	25.3%	26.7%	25.7%	26.6%	25.4%
Depreciation & Amortisation	7,844	7,575	7,369	7,026	6,572
EBIT	5,728	5,871	4,498	5,014	4,180
Interest and Financing Cost (net)	2,275	2,880	2,939	2,463	854
PBT	3,453	2,991	1,559	2,551	3,326
Tax	1,063	981	501	778	581
PAT	2,390	2,010	1,058	1,773	2,745
Cash Profit	11,203	10,558	8,913	9,580	9,921



C. Revenue & Profitability Break-up

INR mn			INR mn		
Revenue Break-up	For the Quarter		EBIT Break-up	For the Quarter	
	Q4FY12	Q3FY12		Q4FY12	Q3FY12
Gross Revenue - Established Service Areas	47,784	45,144	EBIT - Idea Standalone	4,860	5,035
Gross Revenue - New Service Areas	6,251	5,508	EBIT Contribution - Indus (@16.00%)	868	837
Revenue - Idea Standalone	54,035	50,652	EBIT - Idea Consolidated	5,728	5,871
Revenue Contribution - Indus (@16.00%)	3,317	3,233			
Consolidation Eliminations	(3,656)	(3,577)			
Revenue - Idea Consolidated	53,697	50,308			
EBITDA Break-up	For the Quarter		Interest & Finance Cost Break-up	For the Quarter	
	Q4FY12	Q3FY12		Q4FY12	Q3FY12
EBITDA - Established Service Areas	13,671	13,708	Gross Interest Cost - Idea Standalone	2,135	2,250
EBITDA - New Service Areas	(1,601)	(1,722)	Gross Interest Income - Idea Standalone	(40)	(34)
EBITDA - Idea Standalone	12,070	11,986	Forex Loss/(Gain) - Idea Standalone	(135)	311
EBITDA Contribution - Indus (@16.00%)	1,501	1,460	Int. & Fin. Cost (net) - Idea Standalone	1,960	2,527
EBITDA - Idea Consolidated	13,571	13,446	Int. & Fin. Cost (net) from Indus (@16.00%)	315	354
			Int & Fin Cost (net) - Idea Consolidated	2,275	2,880
EBITDA Margins	For the Quarter		Tax Break-up	For the Quarter	
	Q4FY12	Q3FY12		Q4FY12	Q3FY12
EBITDA % - Established Service Areas	28.6%	30.4%	Tax - Idea Standalone	883	821
EBITDA % - New Service Areas	-25.6%	-31.3%	Tax - Indus (@16.00%)	179	160
EBITDA % - Idea Standalone	22.3%	23.7%	Tax - Idea Consolidated	1,063	981
Derived EBITDA % Indus	45.3%	45.2%			
EBITDA % - Idea Consolidated	25.3%	26.7%			
Dep. & Amort. Break-up	For the Quarter		PAT Break-up	For the Quarter	
	Q4FY12	Q3FY12		Q4FY12	Q3FY12
Dep & Amort. - Idea Standalone	7,211	6,952	PAT - Idea Standalone	2,016	1,687
Dep. & Amort. Cost from Indus (@16.00%)	633	623	PAT Contribution - Indus (@16.00%)	373	323
Dep. & Amort. - Idea Consolidated	7,844	7,575	PAT - Idea Consolidated	2,390	2,010

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	
	31-Mar-12	31-Mar-11	31-Mar-12	31-Mar-11
Sources of Funds				
Equity Share Capital	33,088	33,033	33,088	33,033
Preference Share Capital	19	19	19	19
Outstanding Emp. Stock Options	349	478	349	478
Reserves & Surplus	95,620	89,237	97,045	89,469
Loan Funds	120,957	105,575	133,372	120,705
Deferred Tax Liability(net)	5,667	2,940	6,273	3,099
Total	255,701	231,282	270,147	246,804
Application of Funds				
Gross Block	386,026	315,084	410,917	336,977
Less: Depreciation & Amortisation	134,396	108,005	141,040	112,128
Net Block	251,630	207,079	269,877	224,849
CWIP	6,576	35,961	7,038	36,467
Goodwill	61	61	61	61
Cash & Cash equivalent	1,406	13,902	2,497	14,777
Net Current Assets	(3,973)	(25,720)	(9,325)	(29,351)
Total	255,701	231,282	270,147	246,804

* This summarised balance sheet provides overall perspective of Source and Application of Funds at relevant point of time. This format differs from the revised schedule VI requirements.

6. Key Performance Indicators

A. Financial Indicators – Idea Standalone

Parameters	For the Quarter				
	Q4FY12	Q3FY12	Q2FY12	Q1FY12	Q4FY11
Gross Revenue (INR mn)	54,035	50,652	46,554	45,559	42,691
Growth (%) QoQ	6.7%	8.8%	2.2%	6.7%	7.0%
EBITDA (INR mn)	12,070	11,986	10,436	10,666	9,494
EBITDA (%)	22.3%	23.7%	22.4%	23.4%	22.2%
EBIT (INR mn)	4,860	5,035	3,710	4,278	3,554
EBIT (%)	9.0%	9.9%	8.0%	9.4%	8.3%
Gross Revenue/min (paisa)	43.5	44.4	43.8	41.9	41.9
EBIT/min (paisa)	3.9	4.4	3.5	3.9	3.5
Gross Fixed Assets (INR mn)	386,026	375,797	363,279	349,303	315,084
Annualised Revenue/Gross Fixed Assets	56.0%	53.9%	51.3%	52.2%	54.2%

B. Operational Indicators – Idea Standalone

	Unit	Quarter Ended				
		Q4FY12	Q3FY12	Q2FY12	Q1FY12	Q4FY11
Subscriber Base (EoP)	mn	112.7	106.4	100.2	95.1	89.5
Pre-paid Subs (% of EoP subscribers)	%	96.5%	96.6%	96.5%	96.5%	96.4%
Average Revenue per User (ARPU)	INR	160	159	155	160	161
Average Minutes of Use per User (MoU)	min	379	369	364	391	397
Average Realisation per Minute (ARPM)	paisa	42.2	43.3	42.7	41.0	40.6
VAS as a % of Service Revenue	%	14.3%	13.7%	13.2%	12.1%	12.1%
Post-paid Churn	%	2.8%	2.9%	3.0%	3.0%	2.7%
Pre-paid Churn	%	10.1%	10.7%	10.1%	9.8%	11.0%
Blended Churn	%	9.9%	10.4%	9.9%	9.6%	10.7%
Total Minutes of Use	mn	124,305	113,964	106,224	108,630	101,960
Total 3G Cell Sites (EoP)	no.	12,825	10,902	9,744	6,989	-
Total 2G Cell Sites (EoP)	no.	83,190	80,637	78,367	76,291	73,668
Towers - Rented Indus (EoP)	no.	44,214	43,021	41,865	40,953	39,587
Towers - Rented Others (EoP)	no.	29,737	28,424	27,369	26,213	25,004
Owned Towers (EoP)	no.	9,239	9,192	9,133	9,125	9,077
Tenancy Ratio - Owned Towers	times	1.55	1.54	1.54	1.54	1.54
Owned Towers - IRU (EoP)	no.	11,094	11,094	11,094	11,094	11,094
Manpower on Rolls (EoP)	no.	7,661	7,664	7,581	7,440	7,282
Average Revenue per Employee per Month	INR '000	2,351	2,215	2,066	2,063	1,973
Subscribers per Employee	no.	14,714	13,880	13,215	12,783	12,291

7. Management Discussion & Analysis

A. Global Scale of Operations



*Calculated by dividing service revenue (excl. infrastructure and device revenue) by total Minutes of Usage

Idea's global scale of operations, serving 113 million quality subscribers, generating 1.4 billion minutes per day, provides the company a strong hedge to counter the emerging headwinds from the uncertain regulatory interventions and weak macroeconomic environment.

During the last calendar year, Idea further consolidated its competitive standing to 14.4% Revenue Market Share (RMS) in Q3FY12 an improvement of 1.1% in RMS from Q3FY11, delivering over 20% incremental share of industry revenue, VLR and Minutes, quarter on quarter.

Company's 3G investment plans are on track and high speed broadband services are now available in 3,000 towns and 10,000 villages, in 20 service areas (including roaming arrangements). The company, in its own way, is accelerating the deployment of 3G ecosystem, by launching Idea branded 3G handsets. Nearly 2.6 million Idea customers are active on company's 3G platform and enjoying futuristic services.

The company is confident to overcome the current uncertain regulatory phase, emerge stronger, consolidate its position in the telecom voice market and participate aggressively in the evolving wireless broadband business.

Strong Operating Performance

Idea, continues its enviable 4 year track record of being the fastest growing Indian mobile operator, with Financial Year 2011-12 gross revenue growth of 25.8% against FY11, nearly double the wireless industry growth rate. The 6.7%



sequential quarterly revenue growth in Q4FY12, on back of 8.8% QoQ growth in Q3FY12, reaffirms the increasing consumer preference for brand Idea.

This quarter the high revenue growth is primarily led by the exponential growth in voice minutes @9.1% to 124 billion minutes compared to 114 billion minutes in Q3FY12, strengthening Idea's position among the 'Top 10 global operators in terms of voice minutes'. The minutes volume expansion again was supported by 6.4 mn VLR subscriber additions during the quarter.

The uptrend of Average Realisation Per Minute (ARPM) was halted with decline in ARPM to 42.2p from 43.3p, a harsh reminder of the market place battle and overcapacity. While challenges on the voice ARPM continue, the company remains focused to improve 'Non-Voice Revenue', which contributed 14.3% of revenue in Q4FY12 against 13.7% in last quarter.

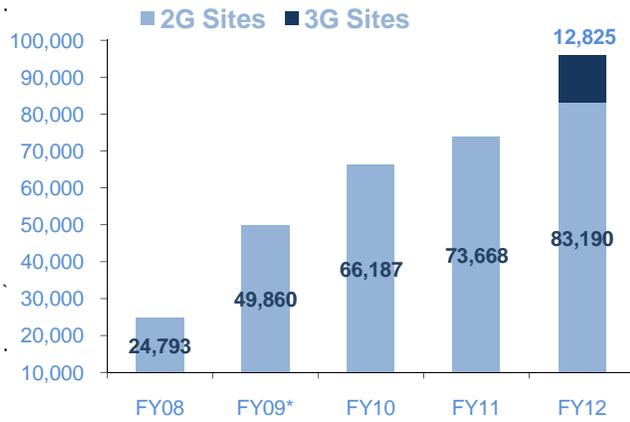
The revenue growth, over the previous quarter, would have naturally translated into EBITDA margin improvement, but for a one-off regulatory impact reflecting in the 'License and WPC fees', which has been considered prudently. On annual basis the absolute EBITDA has increased to Rs. 45,159 million @ 22.9% in FY12 in comparison to Rs. 33,262 million @ 21.3% margin in FY11, a growth of 35.8%.

The standalone PAT for Q4FY12 has improved to Rs. 2,016 million on sequential basis, but the Annual PAT at Rs. 6,036 million was lower compared to Rs. 8,378 million in FY11, primarily on account of higher depreciation and interest charges due to front loaded 3G investments. The company is happy to maintain last quarter trend of Free Cash flow (after Capex). The full year cash profit for FY12 stands at Rs. 36,079 million. With declining future capex demand for 2G and 3G businesses, the Free Cash flow of the company will provide the cushion to tide over the emerging regulatory challenges.

B. Impact of Forex fluctuation and Balance Sheet

The capex and net debt amounts are lower by around Rs. 1.1 billion each due to forex gain on account of rupee appreciation. The capex of Rs. 9.5 billion (net of de-capitalised forex gain) for the quarter has been funded entirely out of cash profit of Rs. 10.1 billion. The Net Debt stands at Rs. 119.6 billion as of March, 2012 with the Net Debt to Equity ratio at 0.93 and Net Debt to EBITDA (Annualised) ratio for the quarter at 2.48. The Net-Worth of Rs. 129.1 billion, together with an average (last four quarters) Cash Profit of over Rs. 9.0 billion per quarter, provides a solid foundation to support the company's strategic intent.

C. Capex



*Including cell site of erstwhile Spice communications

Idea rolled out 2,553 2G cell sites during the quarter, taking EoP 2G cell sites count to 83,190, while count of 3G cell sites (Node B) increased to 12,825 compared to 10,902 in Q3FY12.

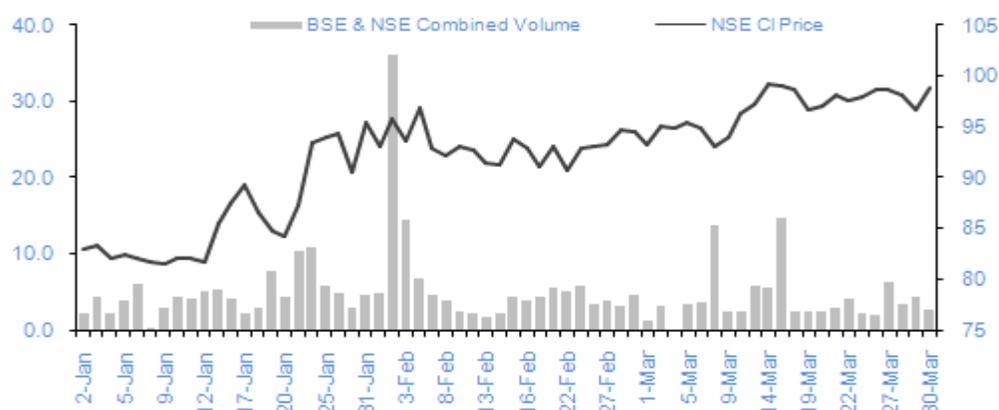
The total addition to the Gross Block including CWIP was Rs. 8.4 billion for Q4FY12. With this, the total capex during FY12 stands 42.5 billion.

The Capex guidance for FY13 stands at Rs. 35 billion, excluding any payment towards spectrum.

8. Stock Market Highlights

General Information		
BSE Code		532821
NSE Symbol		IDEA
Reuters		IDEA.BO/IDEA.NS
No of Shares Outstanding (31/03/2012)	mn	3308.85
Closing Market Price - NSE (31/03/2012)	INR/share	98.80
Combined Volume (NSE & BSE) (01/01/2012 to 31/03/2012)	mn/day	4.9
Combined Value (NSE & BSE) (01/01/2012 to 31/03/2012)	INR mn/day	456.0
Market Capitalisation (31/03/2012)	INR bn	327
EPS (excl. Joint Ventures) for the Quarter	INR/share	0.61
Enterprise Value (31/03/2012)	INR bn	446
Price to Earning	times	40.5
Price to Cash Earning	times	8.1
Price to Book Value	times	2.5

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 March 31, 2012:

Particulars	Idea Cellular Ltd.	
	No. of Shares	% holding
Promoter and Promoter Group		
Indian	1,520,679,047	45.96%
Foreign	-	-
Public Shareholding		
Foreign Holding	1,496,900,500	45.24%
Indian Institutions	205,178,495	6.20%
Others	86,087,068	2.60%
Total	3,308,845,110	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 and device 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
ARPM (Average realisation per Minute)	ARPM 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

Definitions/Abbreviation	Description/Full Form
GSM	Global System for Mobile communications, the most popular standard for 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