

**FORM A****Format of covering letter of the annual audit report to be filed with the Stock Exchange**

1.	Name of the Company	Idea Cellular Limited
2.	Annual Standalone Financial Statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Matter of Emphasis <u>Matter:</u> We draw attention to Note 32 (i) to the financial statements. The Department of Telecommunication (DoT) has issued demand notices dated 8th January 2013 towards one time spectrum charges for spectrum held by the Company beyond 6.2 Mhz for the period from 1st July 2008 to 31st December 2012 amounting to Rs. 3,691.30 Million and beyond 4.4 Mhz for the period from 1st January 2013 till the expiry of the license amounting to Rs. 17,443.70 Million in the respective telecom service areas. In the opinion of the Company, interalia, the above demand amounts to alteration of financial terms of the licenses issued in the past. The Company therefore filed a petition before the Hon'ble High Court of Bombay, which has directed DoT, not to take any coercive action until the matter is further heard. The financial impact of the abovementioned matter is dependent upon the outcome of the petition filed by Company in the Hon'ble High Court of Bombay and therefore no effect for the one time spectrum charges has been given in these financial statements. Our opinion is not modified in respect of this matter. <u>Note 32 (i):</u> (i) In Financial year 2012-13, DoT had issued demand notices towards one time spectrum charges - for spectrum beyond 6.2 Mhz in respective service areas for retrospective period from July 1, 2008 to December 31, 2012, amounting to Rs. 3,691.30 Mn., and - for spectrum beyond 4.4 Mhz in respective service areas effective January 1, 2013 till expiry of the period as per respective licenses amounting to Rs. 17,443.70 Mn.



		In the opinion of Company, <i>inter-alia</i> , the above demands amount to alteration of financial terms of the licenses issued in the past. The Company had therefore, petitioned the Hon'ble High Court of Bombay, where the matter was admitted and is currently sub-judice. The Hon'ble High Court of Bombay has directed the DoT, not to take any coercive action until the matter is further heard.
4.	Frequency of observation	Repetitive since last two years

Refer our Audit Report dated 28th April, 2015 on the
standalone financial statements of
Idea Cellular Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Khurshed Pastakia
Partner
(Membership No. 31544)

For Idea Cellular Limited

Himanshu Kapania
Managing Director

Akshaya Moondra
Chief Financial Officer

Gian Prakash Gupta
Chairman – Audit Committee

Place: Mumbai
Date: 28th April, 2015



IDEA CELLULAR LIMITED
ANNUAL REPORT
2014 - 2015

BIG IN YOUR LIFE





Mr. Aditya Vikram Birla

Our legendary leader. His ideals guide us.
Integrity, Commitment, Passion, Seamlessness and Speed.



Dr. Sarala Birla

was an iconic humanitarian.

A highly progressive person, she was way ahead of the times.

An educationist, a philanthropist, a patron of the arts,
Dr. Sarala Birla was an exemplar of all that is best in mankind.

Her legacy of values will be cherished forever.

The Chairman's Letter to Shareholders

Dear Shareholder,

The global scenario

The year 2014-15 continued to be a challenging year. The global economy growth was 3.4%, unchanged over the previous year. The world's largest economy, the US saw better growth, while the countries in the Euro zone registered marginal growth. There was a marked slowdown in China, and Japan witnessed near stagnation.

The key factors that affected the global economy included a steep decline in oil and commodity prices, and monetary easing by central banks in the US, EU and Japan. The global financial markets experienced heightened volatility, largely due to expectations of a tightening of monetary policy by the US Federal Reserve. The impasse on resolving the debt crisis in Greece added to the uncertainty. Geopolitical risks compounded the situation.

The IMF has projected economic growth at 3.3% in 2015, marginally lower than the growth recorded in 2014.

The domestic scenario

Among all the developing economies, India was a notable exception, with



growth increasing to 7.3% in 2014. Agriculture recorded a growth of only 0.2%, given the subnormal monsoon. This was compensated by a more vigorous manufacturing sector, which grew at 7.1% in FY 2014-15, compared to 5.3% in FY 2013-14. Headline inflation fell sharply to 5%.

On the external front, India's vulnerability has reduced with the current account deficit contained at below 2% of GDP and a relatively stable currency. The monetary policy through the year was largely accommodative.

A slew of initiatives reinforced the positive macro factors. One must particularly mention the deregulation of diesel prices, reforms in the coal and mineral sectors, measures to boost FDI, and faster environmental clearances. The buoyant investor sentiment was manifest in capital inflows of \$73 billion. As infrastructure projects get off the ground, the prospects for a revival of the capital investment cycle seem very strong.

Commendable performance by your Company

I am pleased to record that Idea continues to make waves. It has maintained its enviable track record as the fastest growing Indian mobile operator. Idea has persistently outperformed its peers, clocking almost twice the pace of industry growth. Its revenue market share exceeds 18%.

Idea's growth is premised on three major pillars. First, a strong subscriber addition - during the year, Idea added 23.5 million subscribers. One out of every three new mobile subscriber chose Idea, given its customer

"Idea has maintained its enviable track record as the fastest growing Indian mobile operator. Idea has persistently outperformed its peers, clocking almost twice the pace of industry growth. Its revenue market share exceeds 18%."

centric services. Second, it attained the highest ever absolute voice growth, with 96 billion minutes of usage. Third, it has registered near triple digital mobile data revenue growth. So it should come as no surprise that its performance has been splendid. It delivered a 19% revenue growth at \$ 5.3 billion (₹ 31,527 crore) with a 32% rise in EBITDA at \$ 1.9 billion (₹ 11,281 crore).

Outlook

As many of you know, India is on the cusp of a digital revolution. Internet is expected to pervade the lives of a billion Indians in the next decade from a current low penetration of 20% online. From commerce to banking to education to entertainment to health everything will go online. I believe, the mobile industry has the onerous task to build the Indian Internet infrastructure backbone. Idea is well poised to take advantage of this megatrend to further accelerate its profitable growth and deliver shareholder value.

During the last two spectrum auctions, Idea committed \$ 6.8 billion (₹ 41,000 crore) increasing its spectrum portfolio to 270.7 MHz. Today, Idea has the ability to offer 3G services to 76% of its own subscribers and 4G services to 57% of its 161 million subscribers base, besides offering pan India 2G services.

To our teams

I would like to acknowledge the contribution of our teams in India and across the world. I believe, it is our people, who underpin everything else. They are the ultimate reason why we meet with success, in the face of all odds, year after year. Their commitment and dedication is beyond words.

“During the last two spectrum auctions, Idea committed \$ 6.8 billion (₹ 41,000 crore) increasing its spectrum portfolio to 270.7 MHz. Today, Idea has the ability to offer 3G services to 80% of its own subscribers and 4G services to 61% of its 161 million subscribers base, besides offering pan India 2G services.”

The Aditya Birla Group: In perspective

We have had a good year at the Group level. Our Group's consolidated revenue crossed the Rupees 2.5 trillion mark, setting a new milestone. We are up 9% over the last year. In dollar terms as well, regardless of the ups and downs in foreign currency, we reported revenues of \$ 41 billion, an 8% rise. Over 50% of our Group's revenues flow in from our global operations.

I believe, that the bottom line and the cash in the till is a greater parameter to gauge performance rather than simply revenues. On this score too, we have done well.

Our EBIDTA in Rupee terms is an impressive ₹ 322 billion, again over 9% vis-à-vis FY14. In dollar terms, we achieved an EBIDTA of \$ 5.25 billion, reflecting an 8% rise over that of the last year.

I deeply believe that building our future can only be possible by building more leaders and through people development processes. Towards this, our endeavours continue to deliver results. Two of our programmes deserve a special mention. "Cutting Edge" - our leadership programme targeted at developing P&L leaders and "Turning Point" - aimed at building cost centre leaders and unit heads, have proved very promising. Over 70 talented managers have graduated from these programmes and have taken on leadership roles at senior levels.

At the same time our senior leaders are being actively encouraged to take on cross business roles to gain multi-sectoral experience.

We have a bench strength of over 250 youngsters who joined us 5 years ago as Group Management Trainees, and Leadership Associate Programme (Lead) and Leadership Programme for Experienced (Leap)

We have had a good year at the Group level. Our Group's consolidated revenue crossed the Rupees 2.5 trillion mark, setting a new milestone.

members, have demonstrated great potential and grown significantly. Some of them are already in key positions. I hope to see many of them occupy positions of critical importance in our businesses in the near future. As part of our globalisation agenda we have also been recruiting both interns and Lead and Leap participants from renowned International Business Schools.

Similarly, our **GMLP** - Global Manufacturing Leadership Programme, aimed at reinforcing our technical and manufacturing strength is paying a rich dividend. The Aditya Birla Group is being increasingly viewed as the most aspirational place for manufacturing professionals in India.

Our focus on gender diversity and creating enabling policies and programmes to ensure that we provide a conducive, encouraging and an equitable place for women to thrive and excel is gaining momentum. We have launched "Spring Board", the accelerated women's leadership development programme, designed for high calibre women managers. Currently, we have more than 150 women positioned at middle management and senior management levels.

Gyanodaya, our in-house world-class university, has aligned with the best-in-class global business schools, professors and consultants among others. Many of our best talent is also enlisted for short-term courses at these institutions. Such a cross pollination and stoking of the intellect enables us move with the times and are continuously learning.

Ranked No. 1 in the Nielsen Corporate Image Monitor

We are humbled that for the third year running, our Group has been ranked No.1 in the Nielsen Corporate Image Monitor 2014-15. We have emerged as 'Best in

Our focus on gender diversity and creating enabling policies and programmes to ensure that we provide a conducive, encouraging and an equitable place for women to thrive and excel is gaining momentum.

Class' across most of the pillars. This is a remarkable vote of confidence by the stakeholder constituency in our leadership teams. It is a testament to our "Group brand, governance standards, transparency, customer primacy and CSR engagement. The six pillars of Corporate Image on which organisations are engaged comprise of Vision and Leadership, Product & Service quality, Workplace Management, Financial Performance, Operating style and Social responsibility".

Nielsen's Corporate Image Monitor measures the reputation of the 42 leading companies in India across sectors (based on the Bombay Stock Exchange list and the Economic Times Ranked Top 50 Companies) and "the findings serve as an important indicator of the strength of the corporate brand".

In sum

We are gearing to ensure that we have the right talent at the right time and at the right place for each of our businesses. Additionally, enhancing customer centricity and excellence capability by developing customer value propositions that are unmatched, stepping up the focus on R&D to increase the share of value-added products across businesses, are our focus areas. The thrust on digitisation across our business processes and using analytics and big data continue. These are our steps towards accelerating top-line and bottom-line growth and enhancing stakeholder value.

We are gearing to ensure that we have the right talent at the right time and at the right place for each of our businesses.

Yours sincerely,



Kumar Mangalam Birla

Board of Directors



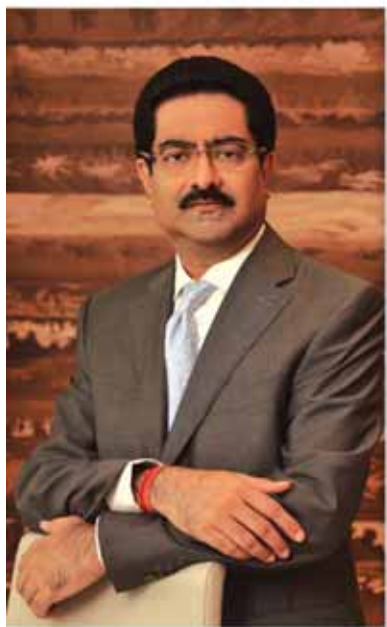
Mrs. Rajashree Birla
Non-Executive Director



Mr. Himanshu Kapania
Managing Director



Mr. Sanjeev Aga
Non-Executive Director



Mr. Kumar Mangalam Birla
Non-Executive Chairman



Dr. Shridhir Sariputta Hansa Wijayasuriya
Non-Executive Director



Mr. Arun Thiagarajan
Independent Director



Mr. Gian Prakash Gupta
Independent Director



Ms. Tarjani Vakil
Independent Director



Mr. R. C. Bhargava
Independent Director



Mr. P. Murari
Independent Director



Mrs. Madhabi Puri Buch
Independent Director



Mr. Mohan Gyani
Independent Director

Corporate Information

Managing Director

Mr. Himanshu Kapania

Chief Financial Officer

Mr. Akshaya Moondra

Company Secretary

Mr. Pankaj Kapdeo

Statutory Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants
706, B Wing,
ICC Trade Tower,
Senapati Bapat Road,
Pune-411 016

Cost Auditors

Sanjay Gupta & Associates
Cost Accountants
C-4E/135, Janakpuri
New Delhi-110 058

Registered Office

Suman Tower,
Plot No. 18, Sector-11,
Gandhinagar-382 011
Gujarat

Corporate Office

Windsor, 5th Floor,
Off CST Road,
Near Vidya Nagari, Kalina,
Santacruz (East),
Mumbai-400 098

Registrar and Share Transfer Agents

Bigshare Services Pvt. Ltd.
E-2&3, Ansa Industrial Estate,
Saki-Vihar Road,
Sakinaka,
Andheri (East),
Mumbai-400 072

Website

<http://www.ideacellular.com>

Corporate Identity Number (CIN)

L32100GJ1996PLC030976

Idea Internet Network - IIN

Present in over 3.5 Lakh villages

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conditions apply.



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An idea can change your life

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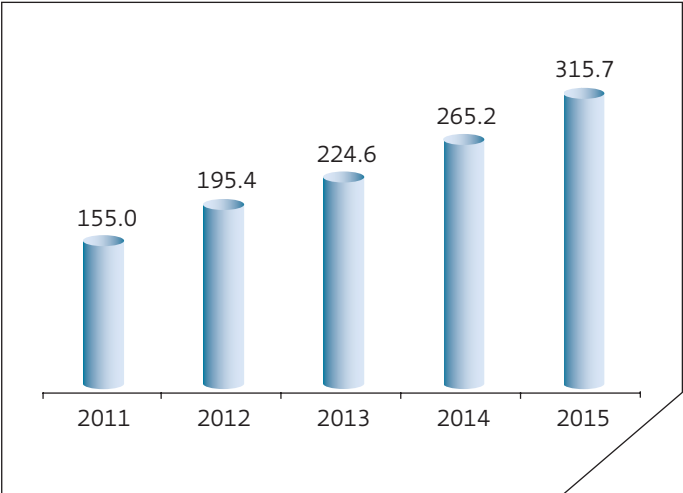
ADITYA BIRLA GROUP

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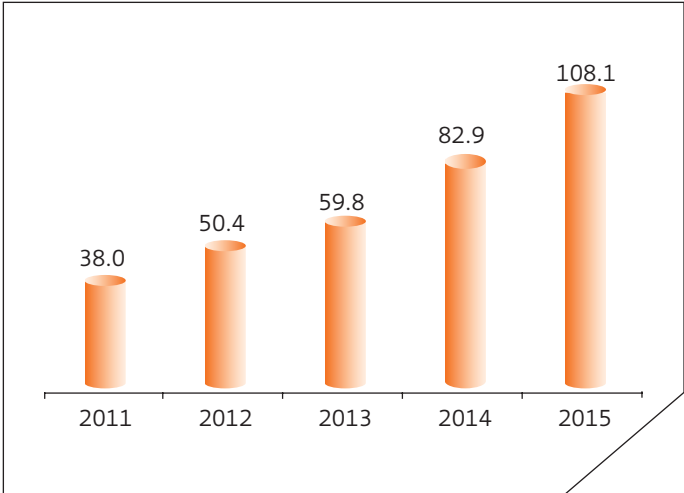
Performance Highlights (Consolidated)

₹ Bn

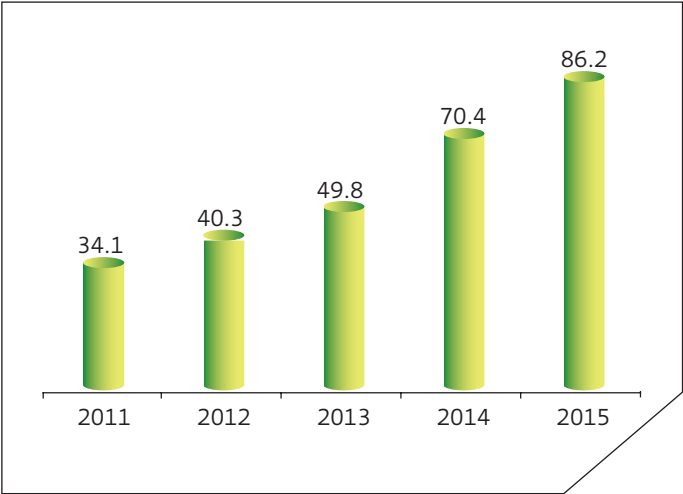
Revenue



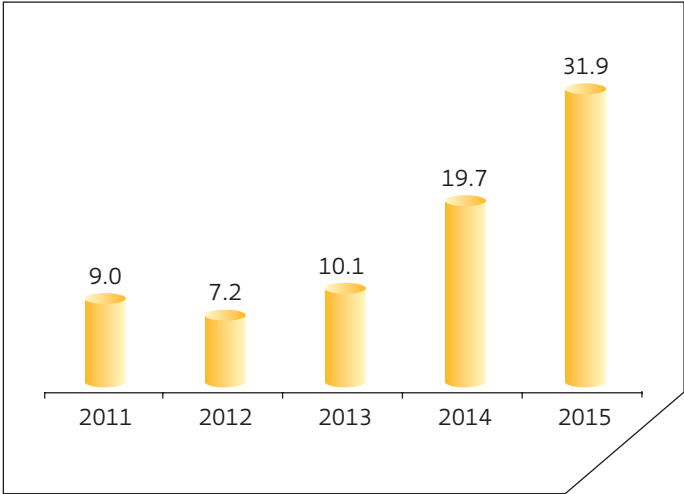
Operating EBITDA



Cash Profits

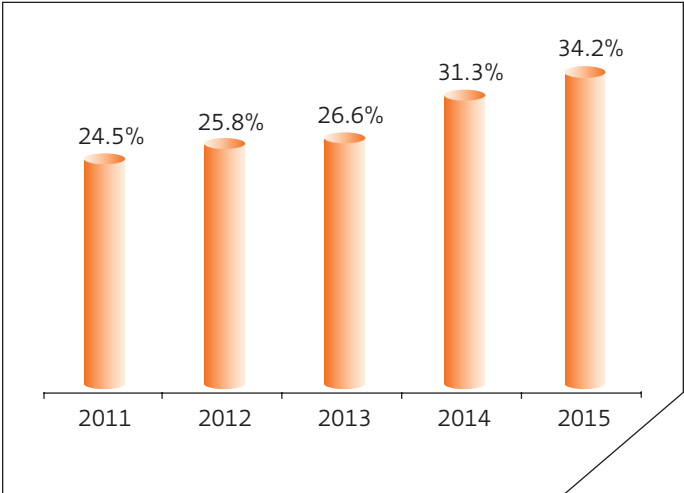


Net Profits



Performance Highlights (Consolidated)

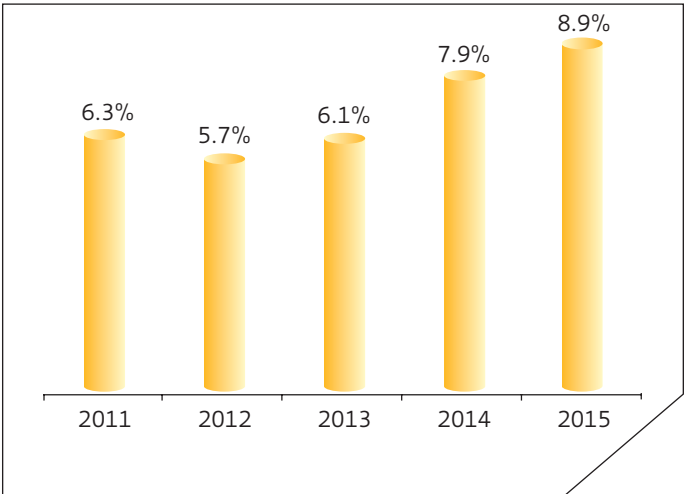
Operating EBIDTA (%)



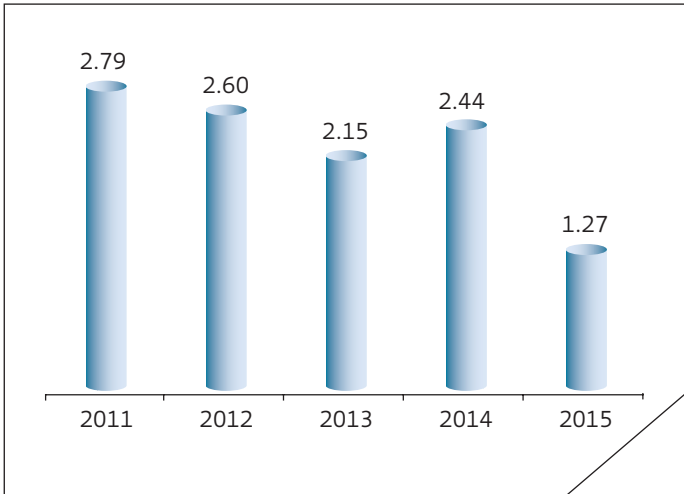
Debt Equity



ROCE (%)

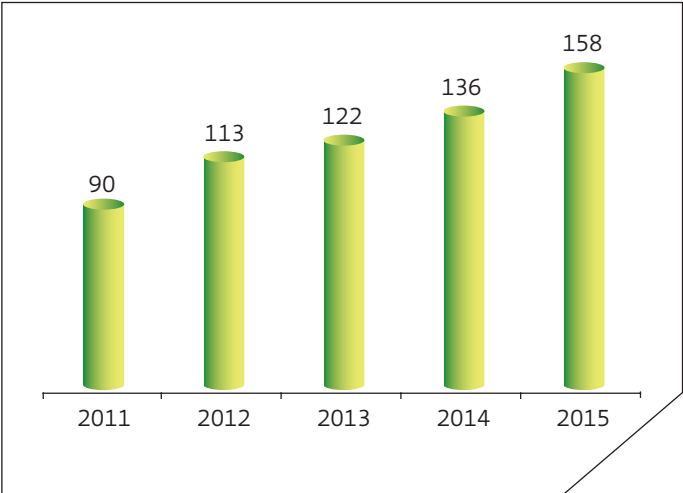


Net Debt to Operating EBITDA

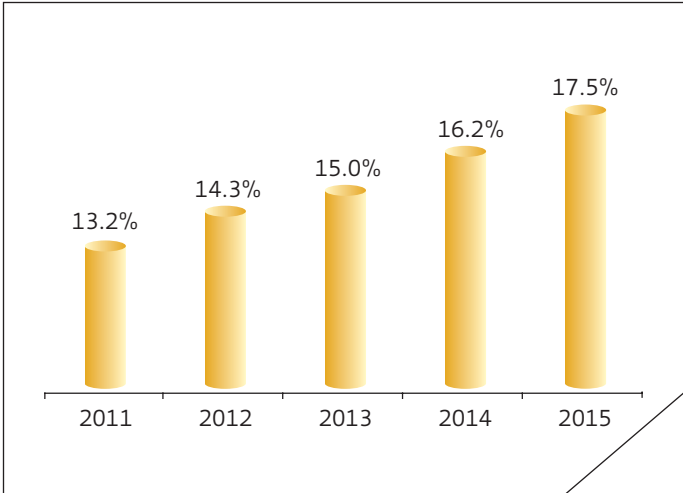


Key Performance Indicators

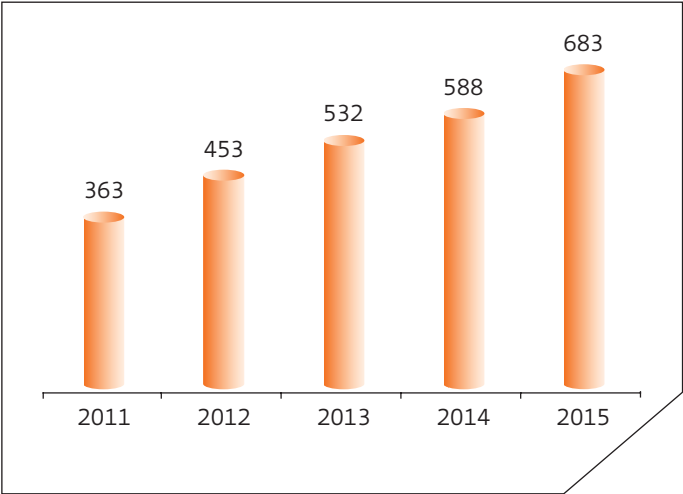
EoP Subscribers (Mn.)



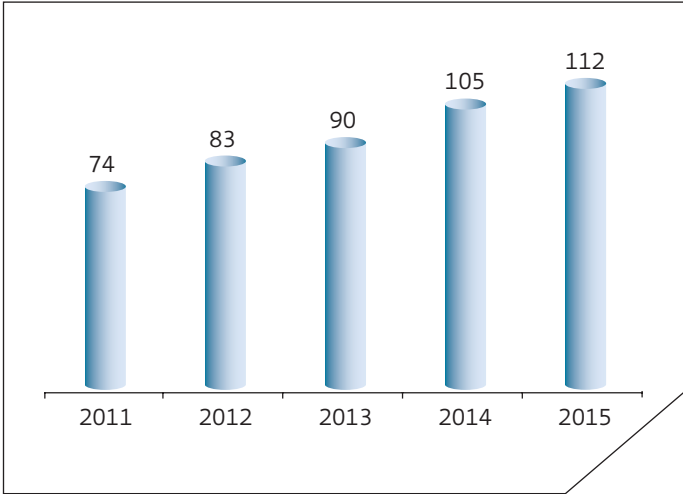
Revenue Market Share (%)



MoU (Bn.)



2G Cellsites Count ('000)



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Create your own Wi-Fi zone.

Idea 3G Smart Wi-Fi
connects upto 10 devices.



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ADITYA BIRLA GROUP

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Directors' Report

Dear Shareholders,

We have pleasure in presenting the Twentieth Annual Report, together with the audited financial statements of the Company for the Financial Year ended March 31, 2015.

Company Overview

Your Company is the third largest mobile telecommunications operator in the country, with pan India operations offering voice, data and other value added services (VAS). Your Company provides GSM-based 2G and 3G mobile telecommunications services in all 22 service areas in India and 21 service areas respectively. The Company offers 3G services in 12 service areas pursuant to spectrum allocated to the Company and provides 3G services in remaining service areas through intra-circle roaming (ICR) arrangements with other mobile telecommunication service providers. Your company also provides WiFi services in select locations. Your company also has the capability to launch 4G in earmarked service areas based on the spectrum it acquired in February 2014 and March 2015 auctions.

Your company also holds licenses to offer NLD, ILD, ISP and IP-1 services. While the NLD and ISP services mainly cater to the captive needs of the company currently, the ILD and IP-1 services cater to both external and captive needs.

Financial Results

The financial statements of the Company have been prepared in accordance with the mandated Generally Accepted Accounting Principles (Indian GAAP). The standalone and consolidated financial highlights of your Company for the Financial Year ended March 31, 2015 are summarized below:

Particulars	₹ Mn			
	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Income from Services	312,521	261,104	315,269	264,320
Other Operating Income	274	691	440	869
Other Income	4,523	2,239	4,697	2,268
Total Revenue	317,318	264,034	320,406	267,457
Operating Expenses	216,061	188,938	207,593	182,268
EBITDA	101,257	75,096	112,813	85,189
Depreciation and Amortisation	48,550	40,932	53,036	45,194
EBIT	52,707	34,164	59,777	39,995
Interest and Finance charges	9,316	8,111	10,452	9,552
EBT	43,391	26,053	49,325	30,443
Taxes	15,293	9,160	17,396	10,765
Profit after Tax	28,098	16,893	31,929	19,678

Operations Review

Your Company is pleased to report another year of splendid performance outpacing the sector growth, maintaining its track record of growing faster than the sector. On a standalone basis, your Company clocked total revenues of ₹ 317,318 Mn, a growth of 20.2% over the previous year, primarily driven by solid growth in Voice and data volumes. The EBITDA also increased to ₹ 101,257 Mn, representing a growth of 34.8 % over the previous year. The Profit after Tax stood at ₹ 28,098 Mn, a rise of 66.3% as compared to the previous year.

On a consolidated basis, the total revenues were ₹ 320,406 Mn, a growth of 19.8% over the previous year. The EBITDA at ₹ 112,813 Mn, reflects a growth of 32.4% as compared to the previous year. The consolidated Profit after Tax stood at ₹ 31,929 Mn, up by 62.3% compared to the previous year.

As on March 31, 2015 the subscriber base of your company was 157.8 Mn, representing a growth of 16.2% over the previous year. Your company continues to improve its market position by gaining higher incremental market share both in terms of revenue as well as in terms of subscribers, and positioned itself as 'One among the Top Three' operators in India.

As per TRAI reports, during the Financial Year 2014-15, your Company gained incremental revenue market share (RMS) of 29.7% of the Indian mobile telecommunication service industry, resulting in RMS improvement of 1.3% compared to the previous year, highest among all telecom operators, thus taking up the RMS to 17.5%. In terms of subscriber market share, during the year your company added 22 Mn subscribers, while the industry added 65.4 Mn subscriber, capturing 33.7% incremental subscriber market share. The subscriber market share for your Company stood at 16.3% as of March 31, 2015, compared to 15% as of March 31, 2014, an improvement of 1.3%. Your company also maintains its leadership position in terms of percentage of active subscriber base to total subscriber base. Further, your Company strengthened its leadership position in Mobile Number Portability (MNP), based on the net subscriber additions.

The overall demand for both Voice and Data remained strong during the year. Your company has added 95.7 Bn voice minutes on its network, highest incremental voice minutes addition in last 4 years, taking the total minutes of usage on the network for the Financial Year 2014-15 to 683.4 Bn, a growth of 16.3% compared to previous year. The total data usage continue to grow by more than 100% on YoY basis. The total data usage of 172.5 Bn MB registered a growth of 117.3%, compared to previous year.

Your Company continues to invest in the long term value creators and remain committed towards increasing its geographical coverage as well as improve the capability of network to address the growing demand of both voice and data. During the year, your Company added 7,589 2G sites, taking the 2G site count to 112,367 as of March 31, 2015. 2G services are now available in more than 360,000 towns

and villages. On 3G front, your Company added 8,910 sites increasing its 3G site count to 30,291. Your Company is focused to improve its Optical Fibre Cable (OFC) transmission network, with the growing demand of data. During the year your Company expanded its OFC transmission network approximately to 93,200 km compared to 82,000 km a year ago, an increase of more than 11,000 km

In the recent spectrum auction held in March, 2015, your Company was successful in retaining spectrum in the crucial 900 MHz band in nine of its leadership service areas, and won 54 MHz of 900 MHz Spectrum (including additional 5 MHz in Maharashtra for second carrier of 3G service), which account for over 73% of the company's revenues. Your Company also acquired 20.4 MHz additional spectrum in the 1800 MHz band in six of its key service areas and 5 MHz in the 2100 MHz for launching 3G services in the metro market of Kolkata. This will enable company to further expand its 3G Services on own spectrum to 13 service areas covering 80% of its revenue and provide capability to do 4G roll out on 1800 MHz in 10 Service Areas covering 61% of its revenue.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 0.60 per equity share of ₹ 10/- each (6 % of face value) for the year ended March 31, 2015. Based on the outstanding paid-up share capital as at the year end, the total dividend payout will amount to ₹ 2,598 Mn inclusive of ₹ 439 Mn of dividend distribution tax. This payment is subject to your approval at the ensuing Annual General Meeting of the Company.

Transfer to Reserves

Your Company has not transferred any amount to the General Reserve for the financial year ended March 31, 2015. However, in line with statutory requirements, your Company has transferred ₹ 103 Mn to Debenture Redemption Reserve.

Changes in Share Capital

During the year under review, your Company had raised ₹ 30,000 Mn by issuing 223,880,597 Equity Shares of ₹ 10/- each under a Qualified Institutions Placement as per Chapter VIII of SEBI (ICDR) Regulations, 2009, at an issue price of ₹ 134/- per Equity Share.

Further, the Company also raised ₹ 7,500 Mn by issuing 51,838,540 Equity Shares of ₹ 10/- each on a preferential basis under Preferential Issue guidelines as per Chapter VII of SEBI (ICDR) Regulations, 2009, to Axiata Investments 2 (India) Limited, (a subsidiary of Axiata Group Berhad, Malaysia), an existing key shareholder of the Company at an issue price of ₹ 144.68 per Equity Share.

Additionally, your Company also issued and allotted 2,493,529 Equity Shares of ₹ 10/- each, fully paid-up, to the option grantees pursuant to the exercise of stock options by eligible employees under the Employee Stock Option Scheme, 2006 (ESOS-2006) and Employee Stock Option Scheme, 2013 (ESOS-2013).

Consequent to the above, the issued, subscribed and paid-up equity share capital of your Company as on

March 31, 2015 stood at ₹ 35,978,444,270 comprising of 3,597,844,427 equity shares of ₹ 10/- each.

Capital Raising

During the year under review, your Company successfully, managed to raise ₹ 30,000 Mn through a Qualified Institutional Placement (QIP Issue). The issue witnessed strong interest from both foreign and domestic investors and there was a strong participation from long only investors. The issue price of ₹ 134/- per equity share, achieved was strong too, representing a discount of just 2.18% to the floor price.

Additionally, your Company also raised ₹ 7,500 Mn by allotting 51,838,540 equity shares of ₹ 10/- each, on a preferential issue basis to Axiata Investments 2 (India) Limited, an existing key shareholder of the Company, at an issue price of ₹ 144.68 per share.

The above capital raising has enabled to put in place a strong capital structure to support our strategic business plan.

Finance

During the year under review, your Company raised long term borrowings of ₹ 80,500 Mn by way of Rupee Term Loans, of which ₹ 76,475 Mn has been prepaid by the Company on May 14, 2015. Further, during the year, Rupee Term Loans aggregating to ₹ 4,055 Mn have been prepaid and Non-Convertible Debentures (NCDs) amounting to ₹ 750 Mn have been repurchased by the Company.

In addition to the aforesaid prepayment, Long Term Loans aggregating to ₹ 16,191 Mn (including ₹ 10,051 Mn towards External Commercial Borrowings) have been repaid, pursuant to the instalments that fell due.

Capital Expenditure

Your Company continues to expand the telecommunication infrastructure of 2G and 3G sites, Optical Fibre Cable (OFC) transmission network (own and through IRU arrangements with other companies) along with the core capacities as required.

Your Company also participated in the Government conducted spectrum auction held in March, 2015 and committed ₹ 301,375 Mn, which includes ₹ 276,398 Mn towards 54 MHz spectrum in the 900 MHz band, ₹ 19,198 Mn towards 20.4 MHz spectrum in 1800 MHz band and ₹ 5,780 Mn towards spectrum in 2100 MHz band. Out of the above commitment, ₹ 19,350 Mn has been paid before March 31, 2015 and included in Capital Advances.

In addition to the above amount relating to spectrum, the capital expenditure (including capital advances) incurred during the year was ₹ 41,729 Mn and ₹ 45,785 Mn at standalone and consolidated level respectively.

Deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

Credit Rating

With the certainty of 900 MHz spectrum in the key nine service areas and the consistent healthy operational performance, Credit Analysis & Research Limited (CARE), has revised its rating for Long Term borrowings and Non-Convertible Debentures to 'CARE AA+' from 'CARE AA'. Additionally, your Company continues to enjoy credit rating of CARE A1+ and CRISIL A1+ for its short term debt program.

Significant Developments:

● *Spectrum Auction - March 2015*

The Auction for Spectrum in 800 MHz band, 900 MHz band, 1800 MHz band and 2100 MHz band commenced on March 4, 2015. The auction was limited to 20 service areas for 800 MHz band, 17 service areas for 900 MHz band, 15 service areas for 1800 MHz band and 17 service areas for 2100 MHz band. The total spectrum put to auction, in all four bands, was 470.75 MHz i.e. 108.75 MHz in 800 MHz band, 177.8 MHz in 900 MHz band, 99.2 MHz in 1800 MHz band and 85 MHz in 2100 MHz band. A large chunk of the spectrum put to auction in 800 MHz band and 1800 MHz band was new spectrum and also the entire spectrum put to auction in 2100 MHz band was new spectrum. However the spectrum put to auction in 900 MHz band was entirely 'in-use' spectrum of existing operators whose licenses were due for extension / renewal in the year 2015/2016.

With renewal of licenses across nine key markets where the 20 years of the license period was ending in December 2015/April 2016, auction was critical for your Company as these nine service areas contributes ~73% of its revenues. Your Company remained focused on framing an auction strategy that ensures business continuity in these leadership markets and lay foundation for the digital age going forward.

As a result, your Company successfully won 54 MHz of 900 MHz band spectrum in these nine key markets. With data business expected to continue its stupendous growth over the next few years, company has also acquired 5 MHz of 2100 MHz band for 3G services in the strategic metro market of Kolkata and contiguous spectrum in the 1800 MHz band in Tamil Nadu and Odisha service areas, for deployment of 4G services at appropriate juncture in the future. This will further expand 3G coverage to 13 circles covering 80% of company's revenues and enable it to roll out 4G services on 1800 MHz band across 10 service areas covering 61% of its revenues. The 9 MHz spectrum won in Maharashtra & Goa will also enable the company to deploy 3G services on 900 MHz (in addition to the existing 2100 MHz band), at an opportune time.

As the Company continues to focus on growing the voice business and enhancing customer experience across all its circles, your Company also acquired additional top

up spectrum in 1800 MHz band in UP West - 2.2 MHz, Karnataka - 1 MHz, Himachal Pradesh - 4.8 MHz and North East - 1 MHz.

Overall, your Company won 79.4 MHz of spectrum i.e. 54 MHz in 900 band, 20.4 MHz in 1800 band and 5 MHz in 2100 band, across 14 circles for a total bid valued of approximately ₹ 301,375 Mn. The breakup of the spectrum won is given below:

S. No.	Service Area	900 MHz Band	1800 MHz Band	2100 MHz Band
1	Maharashtra	9 MHz		
2	Madhya Pradesh	7.4 MHz		
3	Haryana	6 MHz		
4	Kerala	6 MHz		
5	Punjab	5.6 MHz		
6	Andhra Pradesh	5 MHz		
7	Gujarat	5 MHz		
8	Karnataka	5 MHz	1 MHz	
9	UP West	5 MHz	2.2 MHz	
10	Tamil Nadu		6.4 MHz	
11	Odisha		5 MHz	
12	Himachal Pradesh		4.8 MHz	
13	North East		1 MHz	
14	Kolkata			5 MHz

Your Company opted for the deferred payment option and has made upfront payments of ₹ 77,342 Mn (including ₹ 19,350 Mn paid before March 31, 2015) The balance amount will be paid in ten equal instalments after two years moratorium including interest @ 10%.

● *One Time Spectrum Charge*

The Department of Telecommunications (DoT) had issued demand notices of ₹ 21,135 Mn towards levy of one time spectrum charge. The demand includes a retrospective charge of ₹ 3,691 Mn for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of ₹ 17,444 Mn for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013 till the expiry of the period of the respective licenses. In the opinion of the Company, the above demands, inter-alia, amount to alteration of financial terms of the licenses issued in the past. Your Company had, therefore, filed a petition before the Hon'ble High Court of Bombay, which directed DoT not to take any coercive action until the next date of hearing.

Subsequently, DoT raised the issue of maintainability. The Hon'ble Court passed a detailed order stating that the case is maintainable and that such issue cannot be taken-up by TDSAT. Interim protection continues and the matter is pending for final hearing.

● ***Transfer of licenses for Punjab and Karnataka service areas to the Company***

In the pending legal matter of transfer of licenses for service areas of Punjab & Karnataka, DoT has transferred these licenses in the name of the Company as directed by Hon'ble Supreme Court pursuant to its order dated January 29, 2014, upon submission of an undertaking. These licences were registered in the name of erstwhile Spice Communications Limited (Spice), which had merged with the Company pursuant to amalgamation order passed by the Hon'ble High Court(s) of Gujarat and Delhi.

While the licenses in respect of Punjab and Karnataka service areas have been transferred to the Company pursuant to aforesaid directive given by Hon'ble Supreme Court to DoT upon furnishing of requisite undertaking by the Company to DoT, the matter relating to challenge of aforesaid demand of ₹ 6,000 Mn for alleged violations of license terms & conditions and merger & acquisition guidelines in connection with amalgamation of Spice, remains sub-judice before Hon'ble TDSAT.

● ***3G Services and Intra-Circle Roaming Arrangements***

Your Company is presently providing 3G services to its customers in all 11 service areas where it holds spectrum in 2100 MHz band, including Punjab service areas where company received authorization from DoT to launch 3G services in May 2014. Additionally, in March 2015 company has launched 3G services in Delhi service area on 900 MHz band spectrum that it won in February 2014 spectrum auction. Further, the Company provide 3G services in 9 other service areas based on intra-circle roaming arrangements with other leading telecom operators where company does not own 3G spectrum.

The DoT had issued notices to your Company and other operators to stop providing 3G services in the service areas where the operator had not won 3G spectrum, besides levying a penalty of ₹ 500 Mn in each service area. Out of such notices issued to operators, your Company received notices for six service areas. Subsequently matters were heard at TDSAT and in its final Judgment dated April 30, 2014, the Hon'ble Tribunal allowed our Petitions and quashed the DoT penalty notices. In this connection, the DoT had also filed contempt of court petition before Hon'ble High Court of Delhi against certain Directors and Officials of the Company for alleged violation of interim order passed by the Hon'ble High Court of Delhi, which too was later dismissed by Hon'ble Court.

Awards and Recognitions

Some key awards and recognitions received by your Company are:

- Your Company has been ranked 3rd in the best managed public companies, 4th in Corporate Governance and Investor Relations amongst Indian Companies across

industries by Finance Asia magazine's annual poll of investors and analysts.

- At EFFIES 2014, Idea was recognized as 3rd Best Client of the Year with 3 awards as set under:
 - Gold - Telecom Services category for "No Ullu Banaoing"
 - Silver- Integrated Advertising Campaign category for "No Ullu Banaoing"
 - Gold - For Best Ongoing Campaign category for "An Idea can change your life"
- Idea was rated 8th among Top 50 Brands across brand, product and service categories in India by BrandZ Awards 2014 basis brand evaluation by WPP Millward Brown.
- Your Company bagged "Pitch Top 50" Brands Award for the year 2014.
- Your Company won the ET Telecom Award for the Best Marketing Campaign of the year for "No Ullu Banaoing". This award is given for the marketing campaign that is not only unique in creativity but also gets the desired business results.
- Your Company yet again won the Economic Times Telecom Awards 2014 for 2 years in succession in the Enterprise category for cab management solution (for implementations for Bookmycab, Fastrack, Mango Cab).
- Idea won awards in Annual Telecom Leadership Forum organised by the popular ICT magazine Voice & Data (from the Cyber Media House).
- Internet and Broadband Category - for introducing the IN platform for billing postpaid data services.
- Marketing Category - for harnessing analytics to gain consumer insights enabling micro marketing.
- Marketing Category - for deployment of cloud based services for Idea's enterprise customers.

New Initiatives

During the year under review, your Company together with its subsidiaries made extensive progress on the marketing and customer care front by entering into various alliances, introducing various innovative products and services. Some of these are:-

- Idea continued to capture the consumers' imagination with its innovative advertising during the year. While the theme campaign 'No Ullu Banaoing' highlighted the power of mobile internet on Idea network, the latest campaign - 'Idea Internet Network' (IIN) - shows how education on mobile internet can help overcome the barriers created by traditional systems by delivering the power to learn into the hands of anyone who has the passion to learn and an Idea Internet Network connection.
- Idea followed the launch of its online bollywood destination site 'Idea Popcorn Street' (IPCS) (www.ideapopcornstreet.com), by extending the portal

to South Indian film industry - now IPCS has in place the latest on Tamil, Telugu, Malayalam and Kannada movies.

- Your Company launched Magic Recharge product as an innovative means of customer engagement where the simple recharge process got converted to one filled with excitement and customer delight.
- Idea revamped its much popular 121 and 122 USSD portals in its never ending quest to strengthen relationship with its customers and retailers respectively:
 - Upfront display of best offers on the 121 USSD portal used by customers for balance enquiry made the customer(s) well aware about the best product deals available for them.
 - Recharge feature on 122 USSD portal enabled retailers to check customer best offers as well as recharge for the same making the process easier and faster for them. Also Idea launched the online commission payment through 122, which made its relationship with the channel partners much more transparent and trustworthy.
- Your Company launched unique web portal www.ismartpacks.com which gives customized data offers to prepaid customers.
- Your Company launched easy share plans for prepaid customers which is Industry First and allows the customers to share internet, voice and SMS benefits with friends and family.
- For postpaid customers, your Company launched bouquet of customer centric products such as:
 - "No Bill Shock" plans which ensured that customer doesn't get bill amount more than a pre-defined limit.
 - Booster packs for customers who run out of data volume or speed in the middle of the bill cycle
- Successfully retained IOCL account for Automation of LPG booking for over 80 mn INDANE consumers by winning the national tender for smart gas solution. This has been one of the biggest enterprise business contracts bagged by any mobile operator in India.
- Idea strengthened its brand further by sustaining its association with high impact media properties through the year by timing its mass media campaigns well, making its presence felt during some of the most popular properties on TV. The brand extended its association with IPL by signing up with Sunrisers Hyderabad for the 2015 edition.
- To increase 3G device penetration amongst Idea customers, Idea (through its subsidiary) further strengthened 'Idea Smartphone' brand by launching five new models in the market in FY 2014-15.

Subsidiaries and Joint Venture

As on March 31, 2015, your Company has five subsidiary companies and one joint venture, details whereof are as under:

Subsidiaries

- Aditya Birla Telecom Limited, holds 16% shareholding in Indus Towers Limited and is engaged in the trading of mobility devices.
- Idea Cellular Services Limited, provides manpower services to the Company.
- Idea Cellular Infrastructure Services Limited, is a tower Company owning towers in Bihar and Odisha service areas and provides passive infrastructure services in these service areas.
- Idea Mobile Commerce Services Limited, is engaged in providing mobile banking services and operating Prepaid Payment Instruments in India.
- Idea Telesystems Limited, is engaged in the trading of mobility devices.

Joint Venture

Indus Towers Limited, in which Aditya Birla Telecom Limited (ABTL), a wholly owned subsidiary of the Company holds 16% stake, continues to be a joint venture with the Bharti Group and Vodafone Group and provides passive infrastructure services in 15 service areas.

In accordance with the provisions contained in section 136(1) of the Companies Act, 2013 (Act), the Annual Report of the Company, containing therein its standalone and the consolidated financial statements are available on the Company's website www.ideacellular.com.

Further, pursuant to the said section, the financial statements of each of the aforesaid subsidiary companies are available on the Company's website www.ideacellular.com and shall be available for inspection during business hours at the Registered Office of the Company. Any member who is interested in obtaining a copy of the financial statements may write to the Company Secretary at the registered office of the Company.

In terms of provisions contained in Section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries and joint venture is provided as Annexure A to this report.

Consolidated Financial Statements

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 and Clause 32 of the Listing Agreement, entered into with the Stock Exchanges, the Consolidated Financial Statements forms part of this Annual Report and shall also be laid before the ensuing Annual General Meeting of the Company. The Consolidated Financial Statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

Risk Management

In compliance with the requirements of Clause 49 of the Listing Agreement and the provisions of the Companies Act, 2013, your Company has constituted a Risk Management Committee, details whereof are set out in the Corporate Governance Report forming part of the Annual Report. Further, your Company has formally adopted a Risk Management Policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policy and procedure.

Your Company has a well-established Enterprise-wide Risk Management (ERM) framework in place for identification, evaluating and management of risks, including the risks which may threaten the existence of the Company. In line with your Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organized approach for evaluating and managing risks. A detailed exercise is being carried out to identify, evaluate, manage and monitor the risks. The Committee / Board periodically reviews the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

Employee Stock Option Scheme

Your Company values its employees and is committed to adopt the best HR practices for rewarding them suitably. In this direction your Company had implemented the Employee Stock Option Scheme, 2006 (ESOS-2006) and Employee Stock Option Scheme, 2013 (ESOS-2013) and made grants to eligible employees under ESOS-2006 and ESOS-2013 from time to time.

During the year under review, in terms of ESOS-2013, the ESOS Compensation Committee has granted 559,677 Options at an exercise price of ₹ 150.10 per option and 254,499 Restricted Stock Units (RSU) at an exercise price of ₹ 10/- per RSU. Each Option is convertible into one equity share of the Company upon vesting and would vest in 4 equal annual installments after one year of the grant (subject to meeting performance targets) and shall be exercisable within a period of 5 years from the date of vesting. Further each RSU is convertible into one equity share of the Company upon vesting and all RSUs would vest at the end of 3 years from the date of grant and shall be exercisable within a period of 5 years from the date of vesting.

In terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the details of the Stock Options and Restricted Stock Units granted under the above mentioned Schemes are available on your Company's website www.ideacellular.com.

A certificate from M/s. Deloitte Haskins & Sells LLP, Statutory Auditors, with respect to the implementation of the Company's Employee Stock Option Scheme(s), would be placed at the ensuing Annual General Meeting for inspection by the Members and a copy will also be available for inspection at the Registered Office of the Company.

Internal Control Systems

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The internal controls cover operations,

financial reporting, compliance with applicable laws and regulations, safeguarding assets from unauthorised use and ensure compliance of corporate policies. Internal controls are reviewed periodically by the internal auditors, and are subject to management reviews with significant audit observations and follow up actions reported to the Audit Committee. The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them in accordance with the changes in the business dynamics, if required.

Human Resources

The human resource philosophy and strategy of your Company is to attract and retain the best talent, encourage innovation, create an engaging and motivating workplace environment and be an employer of choice. This was reflected by external recognition through the "HR Excellence Award" given for best practices in Talent Acquisition, presented at the Economic Times HR Excellence Summit 2014. In the previous financial year, your company has also shown an improvement in already high employee engagement scores overall, and significant improvement in areas like training and development and onboarding.

Keeping in view the long term business goals, your company has ensured that the Human Resources strategy is inline and complementary to the business strategy. Your Company will focus on succession planning, building capability in digital space and analytics, and ensuring continued high employee engagement along with effective and efficient talent development and deployment. This strategy has strong alignment with your Company's vision to successfully build and sustain your Company's standing as one of India's most admired and valuable corporations despite unrelenting competitive pressures.

Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

Corporate Governance

Your Company is committed to maintain the highest standards of Corporate Governance. Your Company continues to be compliant with the requirements enshrined in Clause 49 of the Listing Agreement which relates to Corporate Governance. A Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. A certificate from the Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance, as stipulated under Clause 49 forms part of the Annual Report.

Business Responsibility Report

As stipulated under the Listing Agreement, the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspective is presented in a separate section forming part of the Annual Report.

Corporate Social Responsibility

In terms of the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance report, which forms part of this report.

Your Company has also in place a CSR Policy and the same is available on your Company's website <http://www.ideacellular.com/investor-relations/corporate-governance>.

The financial year 2014-15, was a preparatory year for the implementation of CSR policy. Being the initial year, the Company was in the process of evaluating the various focus areas for its CSR activities and conducted number of consultations with organizations working in the area of education, health, sanitation, poverty eradication and livelihood generation.

The Company identified some key projects which will be executed during the current financial year 2015-16. A dedicated team is also in place to look after the CSR related activities.

The particulars required to be disclosed pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure B forming part of this Report.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013 ('Act') the Directors, to the best of their knowledge and belief, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

In accordance with the provisions of the Companies Act, 2013, Mrs. Rajashree Birla and Dr. Shridhir Sariputta Hansa Wijayasuriya, retire from office by rotation, and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting of the Company.

Further, during the year under review, Mr. Biswajit Subramanian and Dr. Rakesh Jain, Non-Executive Director(s) resigned from the Board of your Company with effect from October 20, 2014 and December 15, 2014 respectively. The Board places on record its sincere appreciation for the valuable guidance and contribution made by Mr. Subramanian and Dr. Jain in the deliberations of the Board during their respective tenures.

With coming into the force of the Companies Act, 2013, the Board appointed all the existing Independent Directors viz. Mr. Gian Prakash Gupta, Ms. Tarjani Vakil, Mr. Arun Thiagarajan, Mr. R.C. Bhargava, Mr. P. Murari, Mr. Mohan Gyani and Mrs. Madhabi Puri Buch as Independent Directors under Section 149 of the Companies Act, 2013 for a term of five years upto the conclusion of the Annual General Meeting to be held in calendar year 2019. The Shareholders at their Annual general Meeting held on September 26, 2014 approved their appointment.

The Independent Directors have given the declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Mr. Himanshu Kapania was appointed as the Managing Director of the Company for a period of 5 years with effect from April 1, 2011. His current term of office as Managing Director is due to expire on March 31, 2016. The Board of Directors at its meeting held on July 21, 2015, on the recommendation of the Nomination & Remuneration Committee, has re-appointed Mr. Himanshu Kapania as the Managing Director of the Company with effect from April 1, 2016 for a further period of five years, subject to approval of the members. The resolution seeking approval of the members for the appointment of Mr. Kapania together with the terms and conditions of appointment, have been incorporated in the notice of the ensuing Annual General Meeting.

Board Evaluation and Familiarization Programme

The Board has carried out the annual performance evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the Clause 49 of the Listing Agreement. The manner in which the evaluation has been carried out has been provided in the Corporate Governance Report.

The details of programme for familiarization of Independent Directors of your Company is available on your Company's website www.ideacellular.com.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy on

remuneration of Directors and Senior Management Employees. The remuneration policy is attached as **Annexure C** to this report.

Board Meetings

During the year, seven meetings of the Board of Directors were held. The details of the meetings and the attendance of the Directors are provided in the Corporate Governance Report.

Board Committees

During the year, in accordance with the Companies Act, 2013 and provisions of the Listing Agreement, the Board re-constituted some of its Committees. There are currently six committees of the Board, namely:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Finance Committee
- Securities Allotment Committee

Details of the Committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

Audit Committee

The Audit Committee comprises of Mr. Gian Prakash Gupta, Mr. Arun Thiagarajan, Ms. Tarjani Vakil and Dr. Shridhir Sariputta Hansa Wijayasuriya. Further details relating to the Audit Committee are provided in the Corporate Governance Report, which forms part of this report.

Key Managerial Personnel

In terms of the provisions of Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Himanshu Kapania, Managing Director; Mr. Akshaya Moondra, Chief Financial Officer; and Mr. Pankaj Kapdeo, Company Secretary were designated as Key Managerial Personnel of the Company.

Contract and Arrangements with Related Parties

All arrangements / transactions entered by the Company during the year with related parties were in the ordinary course of business and on arm's length basis. There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large.

The related party transactions which can be considered material during the year is the arrangement with Indus Towers Limited (Indus), a joint venture of the wholly-owned subsidiary of your company which provides Passive Infrastructure services and related operations & maintenance services to various telecom operators in India, including your Company. Indus is currently the world's

largest passive infrastructure provider. Your Company had entered into a Master Service Agreement (MSA) with Indus in 2008 for availing passive infrastructure services provided by them in certain service areas. The MSA requires individual tenancy service contracts to be executed for each passive infrastructure site, the terms of which vary depending on the location, type of site, number of existing tenants, etc., and contain lock in periods for ensuring continuity. Such terms are similarly applicable to all other telecom providers having arrangements with Indus. The details of the material related party transaction with Indus for the year ended March 31, 2015 is provided in Form AOC-2, which is attached as **Annexure D** to this report.

All Related Party Transactions are placed before the Audit Committee for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. The Company has implemented a Related Party Transaction manual and Standard Operating Procedures for the purpose of identification and monitoring of such transactions. The details of the transactions with Related Parties are provided in the accompanying financial statements as required under Accounting Standard 18.

The policy on Related Party Transactions is uploaded on the Company's website www.ideacellular.com.

Particulars of Loans, Guarantees and Investments

As your Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186 of the Companies Act, 2013 relating to loans made, guarantees given or securities provided are not applicable to the Company. However, the details of such loans made and guarantees given are provided in the standalone financial statements at Note no. 46. Particulars of investments made by the Company are provided in the standalone financial statements at Note nos. 13 and 15.

Vigil Mechanism

Your Company has in place a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail of the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases is provided to them.

The Vigil Mechanism is available on your Company's website www.ideacellular.com.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange and outgo as required to be disclosed pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are given to the extent applicable in **Annexure E** forming part of this report.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under section 197(12) read with Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure F** to this report.

In accordance with the provisions of Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are to be set out in the Directors' Report, as an addendum thereto. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at the Registered Office of your Company.

Statutory Auditors

The members of the Company had at its Annual General Meeting (AGM) held on September 26, 2014, appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W-100018), as the Statutory Auditors of the Company for a period of three years, i.e. till the conclusion of 22nd AGM, subject to ratification of their appointment by members at every AGM.

The Company has received a certificate from the Statutory Auditors to the effect that ratification of their appointment, if made, shall be in compliance with the provisions Section 139 and 141 of the Companies Act, 2013. Accordingly, the Board proposes ratification of their appointment at the ensuing Annual General Meeting.

Auditors' Report and Notes to Financial Statements

The Board has duly reviewed the Statutory Auditors' Report on the Financial Statements including the emphasis of matter relating to the one-time spectrum fee demand raised by the Department of Telecommunications in January 2013. As explained in Significant Development section of this report and also in the Notes to the Financial Statements, the matter remains sub-judice and does not call for any further explanation/clarification under Section 134(3)(f) of the Companies Act, 2013.

Cost Auditors

In conformity with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board on the recommendation of the Audit Committee has appointed M/s. Sanjay Gupta & Associates, Cost Accountants, as the Cost Auditors, to conduct the Cost Audit of your Company for the Financial Year ended March 31, 2016 at a remuneration as specified in the notice convening the Annual General Meeting. The Cost Audit Report for the Financial Year 2014-15 has been placed before the Board at their meeting held on July 21, 2015.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for the approval by the shareholders at the ensuing Annual General Meeting.

Secretarial Auditor

In terms of the provision of the Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Umesh Ved & Associates, Company Secretaries, Ahmedabad, as the Secretarial Auditor for conducting the Secretarial Audit of your Company for the financial year ended March 31, 2015.

The report of the Secretarial Auditor is annexed to this report as **Annexure G**. The secretarial audit report does not contain any qualification, reservation or adverse remark.

Extract of Annual Return

In terms of the provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT 9 for the financial year ended March 31, 2015 is annexed herewith as **Annexure H** to this report.

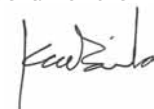
Other Disclosures

- There are no material changes and commitments affecting the financial position of your Company between end of financial year and the date of report.
- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.
- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future
- During the year, your Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgement

Your Directors place on record their sincere appreciation to the Department of Telecommunications, Telecom Regulatory Authority of India, the Central Government, the State Governments, all its investors & stakeholders, bankers, technology providers, equipment suppliers, value added service partners and all the business associates for the co-operation and support extended to the Company. Your Directors also wish to place on record their deep appreciation to the employees for their hard work, dedication and commitment. The perseverance and unstinting efforts of the employees has enabled the Company to retain the 'Fastest Growing Indian Telecom Brand' within the sector.

For and on behalf of the Board



Kumar Mangalam Birla
Chairman

Place: Mumbai
Date: July 21, 2015

Annexure 'A' to the Directors' Report

Form AOC- 1

(Pursuant to first proviso to sub- section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures

Part "A": Subsidiaries

₹ Mn.

S. No.	Particulars	Name of the Subsidiary				
		Idea Cellular Services Limited	Idea Cellular Infrastructure Services Limited	Idea Telesystems Limited	Idea Mobile Commerce Services Limited	Aditya Birla Telecom Limited
1.	Reporting Period	April - March	April - March	April - March	April - March	April - March
2.	Reporting Currency	INR	INR	INR	INR	INR
3.	Share Capital	0.50	0.50	0.50	99.00	119.25
4.	Reserves & Surplus	(2.59)	743.75	229.10	(59.04)	80,478.74
5.	Total Assets	99.86	2,793.08	153.57	39.29	4,458.77
6.	Total Liabilities	101.95	2,583.24	118.97	29.33	1.23
7.	Investments	-	534.41	195.00	30.00	76,140.45 [#]
8.	Turnover (Total Revenue)	1,339.76	2,376.93	1,844.32	24.14	6,442.56
9.	Profit / (Loss) Before Taxation	6.40	291.16	126.92	(30.22)	6,437.04
10.	Provision for Taxation	1.89	80.06	38.20	-	38.32
11.	Profit / (Loss) After Taxation	4.51	211.10	88.72	(30.22)	6,398.72
12.	Proposed Dividend	-	-	-	-	-
13.	% of Shareholding	100%	100%	100%	100%	100%

Notes:

There were no subsidiaries liquidated during the financial year 2014-15.

[#] Includes amount of Investment in Joint Venture at the carrying value as on March 31, 2015.

Part "B": Associates and Joint Ventures

S. No.	Particulars	Name of Joint Venture
		Indus Towers Limited
1.	Last Audited Balance Sheet Date	March 31, 2015
2.	Number of Shares held by the Company as on March 31, 2015	190,662
	Amount of Investment in Joint Venture [#]	₹ 73,307.56 Mn
	Extent of holding %	16%
3.	Description of how there is a significant influence	N.A.
4.	Reason why the Joint Venture is not consolidated	N.A.
5.	Networth attributable to Shareholding as per latest audited Balance Sheet [@]	₹ 19,493.69 Mn
6.	Profit / Loss for the year	
i.	Considered in Consolidation	₹ 3,407.78 Mn
ii.	Not Considered in Consolidation	-

[#] Amount of investment in Joint Venture is based on the carrying value of investments in the standalone financial statements of venturer / investor.

[@]Represents our share of networth attributable to shareholding.

Annexure 'B' to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1	A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	To actively contribute to the social and economic development of the communities and build a better sustainable way of life for weaker sections of society. The areas which are identified includes Education, Health Care, Sustainable Livelihood, Infrastructure Development and Social Change. The Company's CSR policy is available on the Company's website on the following URL http://www.ideacellelur.com/corporate-governance .
2	The composition of CSR Committee	(i) Mrs. Rajashree Birla, Chairperson (ii) Mr. P. Murari, Member (iii) Mr. Himanshu Kapania, Member (iv) Dr. Pragnya Ram, Group Executive President, Corporate Communications & CSR, Permanent Invitee
3	Average Net Profits of the Company for last three financial years	₹ 15,787.27 Mn
4	Prescribed CSR Expenditure (two percent of the amount as in Item 3 above)	₹ 315.75 Mn
5	Details of CSR Spent during the financial year - Total Amount to be spent for the financial year - Amount unspent, if any - Manner in which the amount spent during the financial year	₹ 315.75 Mn ₹ 315.75 Mn See note on social activities
6	Reasons for not spending the amount	The financial year 2014-15, was a preparatory year for the implementation of CSR policy as per the Companies Act, 2013. Being the initial year, the Company was in the process of evaluating the various focus areas for its CSR activities and conducted number of consultations with organizations working in the area of education, health, sanitation, poverty eradication and livelihood generation. The Company identified some key projects which will be executed during the current financial year 2015-16. A dedicated team is also in place to look after the CSR works. For the said reasons, no amount towards CSR was spent in the Financial Year 2014-15.

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy of the Company.

Note on social activities

As a part of corporate group committed to societal growth and development, the Company considers community development and nation-building as key components of its sustainability strategy. With this intent, during the FY 2014-15 company initiated some pilot projects through NGOs, created awareness among the employees for social cause and also encouraged employees to participate and contribute to social initiatives undertaken by NGOs/ Institutions. As the activities were undertaken on experimental basis the expenditure for these initiatives and projects were not booked under the CSR expenditure. Most of these initiatives were funded through company donations or employee contributions.

Some of the social initiatives undertaken by the Company are as below:

● Education:

Your Company in partnership with Pratham Foundation has implemented a pilot project with an objective to test the effectiveness of cellular technology for learning the basics of English language. The project was implemented in five locations namely Dadri, Mumbai, Delhi, Lucknow, Pilani, Pune and Talasari. A total of approximately 2500 students were targeted under this CSR activity. Pratham has set up English clubs at each location. The club coordinators were selected locally and were given responsibility to conduct daily sessions with the underprivileged children. At English clubs, students have access to cellphones to dial the dedicated Idea Number (52111) to access the pre-recorded English content along with the study material.

In different communities, largely in urban or periurban areas (except Talasari schools), an "English Club" has been formed around a Cell-Phone Librarian. It has about 30 to 50 children mostly from standards 5 to 8. The children borrow cell phones from a 'library' of 5-8 phones individually for about 15 minutes every day at their appointed times. They get lesson cards which go from learning alphabets at zero level to learning phonemes, words, and sentences. Each level or Manzil has several sub-levels or Safars. Each card has lessons to be heard upon dialing an Idea number followed by interactive questions to be answered by pressing appropriate keys. Children can also form sentences by pressing a sequence of keys. The Librarian is not supposed to help children with learning but is expected to encourage them. The

hypothesis is that children may be able to learn by themselves with the aid of the printed text and audio. The outcome of the projects are encouraging.

● Social Inclusion and Poverty Reduction

- *'Son of Soil' Program:* Rural youths are recruited for day to day sales operations in villages. This initiative not only provides employment to local communities but also helps in building sustainable relationship with the rural population.
- *Mobile Banking Program:* Given that India has more than 70% mobile penetration and only 35% of the population has access to banking facilities, mobile banking addresses the critical issue of financial inclusion. Idea Mobile Commerce Service Ltd., a wholly owned subsidiary of your Company launched a pilot project in association with Axis Bank, for providing basic Mobile Banking services like cash deposit, money transfer over mobile phones etc.
- *'Behtar Zindagi' Program:* This initiative is mainly for rural population and it aims at providing information on various aspects such as, agriculture (crops and cultivation), weather forecast & advisory, livestock management, health, education and finance over mobile phones.

In addition to the above, your Company in association with various non-governmental organizations (NGOs) such as Teach India, AWO, GOONJ, Habitat for Humanity where Company employees are encouraged to participate and volunteer their time and knowledge for societal development and nation-building.

● Employee contribution and engagement for CSR activities

- *Employee contribution towards social inclusion:* Your Company provides opportunities to an individual to contribute towards the noble cause and be a part of the philanthropy. Under this initiative, the Company collaborated with AWO Foundation. AWO foundation aims to bridge the gap between aspiration and qualification by providing timely financial assistance to deserving and capable but economically-challenged youths. Your Company believes that Education enables and empowers the human mind; breaks social barriers; uplifts communities and makes this world a better place.

To support the good initiative of AWOO, the Company's employees had contributed an amount of approximately ₹ 1.61 crore during the financial year 2014-15.

- *Joy of Giving Week (JGW):* Your Company employees participated in the nation-wide 'Joy of Giving Week' initiative. The Company has been engaged with Joy of Giving initiative for over 4 years. In the financial year 2014-15, the Company associated with this cause and drove the JGW under the banner 'Daan Utsav Week' for Jammu and Kashmir Flood Relief coordinated by Goonj (NGO). During the drive 242 carton of relief materials like good quality blankets, woollen clothes, dry ration, utensils, water purifier tablets, tarpaulins, used flex and monetary were collected. A sum of approximately ₹ 13.40 lakhs was also collected as monetary contribution from the Idea family towards Jammu and Kashmir Flood Relief initiative.
- *Green initiatives:* Your Company is actively involved in spreading, preaching and practicing going the green way. Idea has always been sensitive to environmental

impact and is in the forefront of adopting environmental sustainable practices, whenever such opportunities are available. The Company has always been open to adopting commercially viable models which offers business benefit to stakeholders and also environmental benefits and protection. The Company has also started use of solar energy to reduce carbon emission.

- Aditya Birla Group Fellowship with "Teach for India" is looking for our nation's most outstanding young people (less than 35 years old) to redefine what teaching is and what is possible for underprivileged children to achieve in the classroom, and impact inequity from all sectors throughout their careers. Two employees from the Company were selected for the said purpose.
- *Other Initiatives:* Your Company from time to time associates with different NGOs to cater to various needs of the under privileged people as well as for specific causes. Circle teams of the Company are involved in several activities like blood donation camps, tree plantation, visits to local NGOs etc.

Annexure 'C' to the Directors' Report

Remuneration Philosophy/Policy

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders. This Philosophy/Policy is outlined below:

Our business and organizational model

Our Group is a conglomerate and organized in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

I. *Objectives of the Executive Remuneration Program*

Our executive remuneration program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis
2. Emphasize “Pay for Performance” by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

II. *Executives*

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company
2. Key Managerial Personnel: Chief Executive Officer and equivalent (eg: Deputy Managing Director), Chief Financial Officer and Company Secretary.
3. Senior Management

III. *Business and Talent Competitors*

We benchmark our executive pay practices and levels against peer companies in similar industries,

geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are broadly equitable and support the Group's global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to appreciate the differences in levels and medium of pay and build in as appropriate for decision making.

IV. *Executive Pay Positioning*

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognize the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

V. *Executive Pay-Mix*

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits

Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/focus areas for the business.

Long-Term Incentive:

Our Long-term incentive plans incentivize stretch performance, link executive remuneration to sustained long term growth and act as a retention and reward tool.

We use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units as a secondary long term incentive vehicles, to motivate and retain our executives.

VI. Performance Goal Setting

We aim to ensure that for both annual incentive plans and longw term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

VII. Executive Benefits and Perquisites

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

Other Remuneration Elements

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives including continuity of service across the Group Companies.

We limit other remuneration elements, for e.g. Change in Control (CIC) agreements, severance agreements, to instances of compelling business need or competitive rationale and generally do not provide for any tax gross-ups for our executives.

Risk and Compliance

We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as, remuneration mix overly weighted towards annual incentives, uncapped pay-outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

Claw back Clause:

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act, 2013 and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

Implementation

The Group and Business Centre of Expertise teams will assist the Nomination & Remuneration Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's length", agreements entered into as needs arise in the normal course of business.

Annexure 'D' to the Directors' Report

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis : None
2. Details of material contracts or arrangements or transactions at arm's length basis :

Particulars	Information
(a) Name(s) of the related party and nature of relationship	Indus Towers Limited (Indus) <i>[Joint Venture (By agreement) of wholly owned subsidiary]</i>
(b) Nature of contracts/ arrangements/ transactions	Master Service Agreement (MSA) for Passive Infrastructure services and related Operations & Maintenance services
(c) Duration of the contracts/arrangements/ transactions	The maximum term of each tenancy service contract executed for each passive infrastructure site under the MSA is 10 years, with either party having a right to terminate, subject to certain conditions.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Passive Infrastructure services are provided by Indus mainly on co-sharing basis for each passive infrastructure site, after obtaining necessary approvals, which enables the Company to deploy active equipment on sites for providing telecom services. The aggregate value of the transaction for FY 2014-15, towards availment of services from Indus is ₹ 32,749 Mn.
(e) Date(s) of approval by the Board, if any; and Audit Committee	Audit Committee: March 31, 2015 Board Meeting: April 28, 2015
(f) Amount paid as advances, if any	Nil

Annexure 'E' to the Directors' Report

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

As the global telecom industry grows increasingly cognizant of the fact that it needs to lighten its carbon footprint, Idea is one of the leaders in the search for green energy options in India. Efficient power management, infrastructure sharing, use of eco-friendly renewable energy sources, leveraging the latest technology to reach out to a large audience in the most energy efficient manner such as video and teleconferencing, smart logistics, etc. are some of the best practices in the Company's network infrastructure and day-to-day business operations. The primary focus of the energy conservation drive has been on reducing energy cost and minimizing environmental impact of the company's operations.

(a) Steps taken or impact on conservation of energy:

During the year under review, several steps were taken for conservation of energy, some of which are listed below:

Networks

On the Network front, your Company has adopted cleaner and non-conventional energy sources such as Battery-DG Hybrid, Fuel cell hybrid and solar hybrid technology across several of its BTS sites, apart from installation of energy efficient hardware. Following initiatives are being implemented by Company for reducing energy consumption:

- Presently, over 19% of Idea Owned telecom towers are operational with hybrid solutions for energy reduction and to this effect CO₂ emission reduction of about 56,000 Tons per annum by end of FY15 has been achieved
- Over 40% of Idea's BTS portfolio - Outdoor BTS (25% reduction in Energy consumption compared to Indoor BTS)
- In FY 2015, 5,482 Indoor sites to outdoor sites through Free Cooling Unit (FCU) - Emission reduction of 32,000 Tons CO₂ achieved.
- Highest tenancy ratio in Indian industry leading to lowest carbon footprint / site, about 2.72

- 100% of the telecom hardware procurement in FY 2015 comprise of low Power consuming Telecom Hardware
- Energy optimization based on deep discharge battery solutions are being evaluated and inducted for Site operations, such as Lithium Ion batteries, Flow batteries, etc

Data Centre

The Company's Data Centre located at Hinjewadi, Pune is well under the "Efficient" category on Standard Parameter of PUE (Power Usage Effectiveness). We measure the Energy efficiency of the Data Centre on an ongoing basis and the Average PUE is 1.82 (which falls under the "Efficient" Category). The following measures are being undertaken to reduce energy use and/or save energy and related emissions in our data centre:

- Water based Air cooled chillers have been used in the Data Centre to reduce energy consumption.
- Hot & Cold Aisle concept for better air circulation in Data Centre - Usage of Pro-curtain for separation of cold aisle and hot aisle for better cooling. Cold aisle containment implemented to increase HVAC efficiency, saving on energy consumption and to reduce related emissions.
- Active Floor based cooling system - directing the cool air to the area where it is required rather than flooding the entire Area.
- False Flooring & False Ceiling void for better cooling
- Different Temperature zones to reduce air loss
- Thermal Insulation along the flooring/ceiling to reduce heat dissipation
- Usage of Blanking panel in empty server Racks to reduce short cycling of cold air and hence for improved HVAC efficiency.
- Usage of APFC to improve Power Factor in electrical distribution system and to reduce the energy consumption.
- Usage of PAC (Precision Air Conditioner) - Non DX units (without compressor and HVAC gases)

- Variable Frequency Drives (VFDs) have been installed in the data center's HVAC systems to automatically reduce the speed and power consumption of motors when there is lower system load.
- Based on power audits and an extensive study of energy usage, various initiatives have been undertaken over the years to optimize the usage of electricity, such as:
 - Identification and rectification of hot spots
 - Optimization of lighting and AC usage
- DAPC (Digital Active Power Conditioning) has been installed for Harmonic Distortion to avoid Power Losses, Protection of non-linear load and to improve Power Quality.
- During Winter Season Chiller Optimization obtained by operating 3 Circuits of 2 Chillers in the night. By practicing this the data centre has achieved 140 KWH savings per hour while maintaining the desired DC Temp.
- In PAC (Precision Air Conditioner), Blower FAN operates as per the Set Point Temp. Blower Fan's Maximum Rated Load is 3.2 KW on 100% Fan speed. It is running Blower Fan at 70% Speed which consume 1.6 KW without affecting the Cooling Requirement of the Data Centre.
- VRV (Variable Refrigerant Volume) System are installed in office areas for office cooling. The VRV Systems are set to 24°C set point & scheduled for All Office areas between 8:30AM to 6:00PM. Apart from Workstation Area, the VRV System operates on need basis in Meeting Rooms & Cabins. Also on weekends VRV System operates on need basis only in areas where the actual staff is present.
- Lighting in office area is scheduled from 8:30 a.m. to 7:00 p.m. and will be switched on need basis in areas where the actual staff is present after the office hours. By practicing this we are achieving power saving without compromising lux level in required office areas.

Facilities

- Your Company is working to reduce its Carbon footprint by adoption of newer technologies and changing the consumption mix to include more renewable energy generators. The company's new Projects are conceptualized giving high priority to the energy efficient design. The company operates with lux levels

below 300 and keeps a good mix of natural and artificial illumination for conserving energy.

- Your Company's office facilities have lighter surface colours and patterns which absorb less and contribute to better lighting. The company uses a combination of energy efficient CFL and LED lighting for illumination at our facilities. However new projects have all LED fittings.
- In Air-conditioning space, your Company uses star rated BEE (Bureau of Energy Efficiency) certified air conditioners in our facilities. The company also uses VRV systems apart from the energy efficient chillier plants in our facilities.
- Idea's Energy Management includes regular monitoring of energy consumption of different types of loads on a daily basis and helps the company to take corrective measures on an immediate basis. The company's average square feet consumptions have reduced over a period and match the benchmarks for office space.
- Some of the other measures in the Company's office premises include:
 - Usage of Electronic ballasts instead of Copper ballasts for improved efficiency and reduction in energy consumption and emissions.
 - Usage of logic controlling for emergency lights. Automatically is set on during power failure.
 - VRV based Air conditioning is being used in office area instead of a centralized system.
 - Switching off all non- critical loads (office AC, lights, unused meeting rooms/cabins etc.) after working hours.
 - Switching off all FACADE lights near to outer glass of premises.
- Your Company is working on replacement of existing CFL based lighting fixtures to LED based fixtures on OPEX model for older facilities to achieve 100 percent conversion to lesser consumption loads.
- All new facilities are being designed to conform to LEED certification standards. This will ensure lesser energy consumption per sq. ft. basis and also reduce the company's carbon footprint.

(b) Steps taken by the Company for utilizing alternate sources of energy:

The following initiatives have been undertaken by the Company, to utilise alternate sources of energy:

- **Exclusive Solar solutions:**

1,000 plus sites. Cumulative solar deployment so far across sites is about 4.5 MW. A unique Vendor Engagement Model known as Energy Management Service (EMS) Provisioning was conceived, nurtured and implemented under OPEX Model where RET based generation (Solar Energy) and site operation management is combined under one Master Services Agreement. This Model turned out to be a win-win solution for the Company as well as the Vendor.

- **On Site Solar implementation:**

This project was initiated last year and a 25 KW Solar Plant was installed on the Roof Top of Idea Delhi MSC and it is working successfully till date. Similar Plants shall be deployed in all such cases where the Roof Tops are available in MSC locations. This will reduce the power being drawn from the Grid or the load on the DG, reducing the diesel consumption.

- **Off Site Solar Deployment:**

This concept was also initiated last year based on the Carbon abatement principle. 1 MW Solar plant was commissioned in Andhra Pradesh Circle against the consumption of a Switch facility and another 1.8 MW Solar plant commissioning is in the final stages of completion. Discussions are progressing in 5 other Circles to emulate similar models under Open Access Scheme where Idea partner will generate power from a Mega Watt Solar plant, at a remote place and feed it to Grid. The identified HT connected load of Idea shall use the power credit from the Solar plant for settling the energy settlement with the distribution company.

- **Trial of new energy solutions:**

- The Company in association with United States Trade Development Agency (USTDA) carrying out trials of Solar Hybrid Methanol based Fuel Cell systems for powering Telecom Towers, an alternative for Diesel Generator. This is part of an effort to identify viable means for eliminating fossil fuel in Telecom Site operations.
- Jointly working with Group Companies to increase use of Hydrogen Fuel Cells for powering telecom sites.

(c) **The capital investment on energy conservation equipment:**

The capital investment on energy conservation equipment was not material during the Financial Year ended March 31, 2015.

B. TECHNOLOGY ABSORPTION

(a) **Efforts made towards technology absorption**

The Company owns and operates its telecom network Adaptation and Innovation using its own resources. The focus of the company has been to enhance its 2G coverage and 3G data broadband connectivity across the country.

(b) **Benefits derived like product improvement, cost reduction, product development or import substitution**

The cost of implementation of operations network is most optimal due to in-house handling of planning and designing. The speed to market was much better in terms of rural rollout and rollout of 3G sites due to strong in-house competency.

The Company owns and operates its telecom network Adaptation and Innovation using its own resources. Structured internal trainings are imparted to the team of engineers for their skill development and grooming.

(c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

No technology has been imported. However telecom equipments are imported on an ongoing basis.

(d) **Expenditure incurred on Research and Development (R&D)**

None

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned for the year:

(a) Total Foreign Exchange Earnings : ₹ 4,854.93 Mn

(b) Total Foreign Exchange Outgo : ₹ 17,647.43 Mn

Annexure 'F' to the Directors' Report

Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 are as under:

Sr. No.	Name of Director / KMP and Designation	Remuneration for FY 2014-15 (₹ in Mn)	% increase in Remuneration ^s in the FY 2014-15	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Kumar Mangalam Birla <i>Chairman & Non-Executive Director</i>	133.51	56.3	189.9
2	Mrs. Rajashree Birla <i>Non-Executive Director</i>	1.49	(67.4)	2.1
3	Mr. Sanjeev Aga <i>Non-Executive Director</i>	1.71	70.8	2.4
4	Dr. Shridhir Sariputta Hansa Wijayasuriya <i>Non-Executive Director</i>	1.58	24.0	2.2
5	Mr. Gian Prakash Gupta <i>Independent Director</i>	1.56	11.3	2.2
6	Mr. Arun Thiagarajan <i>Independent Director</i>	2.70	41.4	3.8
7	Ms. Tarjani Vakil <i>Independent Director</i>	3.01	123.5	4.3
8	Mr. P. Murari <i>Independent Director</i>	0.88	112.7	1.3
9	Mr. R.C. Bhargava <i>Independent Director</i>	1.56	148.6	2.2
10	Mrs. Madhabi Puri Buch <i>Independent Director</i>	1.11	33.1	1.6
11	Mr. Mohan Gyani <i>Independent Director</i>	0.89	325.4	1.3
12	Mr. Himanshu Kapania* <i>Managing Director</i>	87.80	5.0 [^]	124.9
13	Mr. Akshaya Moondra* <i>Chief Financial Officer</i>	20.23 [#]	4.2 [^]	28.8
14	Mr. Pankaj Kapdeo* <i>Company Secretary</i>	7.45 [@]	6.1 [^]	10.6

Notes:

- (a) Remuneration to Non-Executive Director is based on commission payable to the Non-Executive Directors for the year ended March 31, 2015, which is subject to the approval of the members of the Company. Sitting fees paid to Directors is excluded.
- (b) The remuneration of Employees and Key Managerial Personnel (KMPs) does not include perquisite value of stock options exercised during the year 2014-15.
- \$ Based on Annualised Remuneration.
- * The remuneration includes variable pay for the financial year 2013-14, which was paid in the financial year 2014-15.
- [^] The value of performance linked incentive (PLI) considered represents incentive that will accrue at 100% performance level. For effective comparison, the PLI component of their remuneration for FY 2013-14 has also been considered at 100% performance level.
- [#] The remuneration of Mr. Akshaya Moondra excludes perquisite value of stock options of ₹ 6.27 Mn exercised during the current financial year.
- [@] The remuneration of Mr. Pankaj Kapdeo excludes perquisite value of stock options of ₹ 2.57 Mn exercised during the current financial year.

- (ii) The percentage increase in the median remuneration of the employees of the Company for the financial year 2014-15

The median remuneration of the employees in the financial year 2014-15 was increased by 9.8%, as compared to the financial year 2013-14.

The Median Remuneration of Employees of the Company during the financial year 2014-15 was ₹ 7.03 Lacs.

- (iii) The number of permanent employees on the rolls of the Company

There were 10,875 permanent employees on the rolls of Company as on March 31, 2015.

- (iv) The explanation on the relationship between average increase in remuneration and company performance:-

The revenue growth of the Company for the financial year 2014-15 was 20.2%, as compared to the financial year 2013-14 and the net profit growth was 66.3%.

The average increase in the median remuneration of employees for the financial year 2014-15 is 9.83%. The average increase in median remuneration is in line with industry benchmark and performance of the Company.

- (v) Comparison of the remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel increased by 4.9%. The revenue growth of the Company for the financial year 2014-15 was 20.2%, as compared to the financial year 2013-14 and the net profit growth was 66.3%.

- (vi) (a) Variations in the market capitalisation of the Company:

The market capitalisation of the Company as on 31st March, 2015 was approx. ₹ 66,200 crores as compared to approx. ₹ 45,628 crores as on March 31, 2014, representing an increase of 45.1%.

- (b) Price Earnings ratio:

The price earnings ratio of the Company was 23.2 as at March 31, 2015 as compared to 27.0 as at March 31, 2014.

- (c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer:

The closing price of the Company's equity shares on NSE and BSE as of March 31, 2015 was ₹ 184 and ₹ 183.75 respectively, representing an increase of over 146% over IPO price (NSE).

- (vii) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 with the percentage increase in the managerial remuneration:

The average increase in the remuneration of employees excluding KMPs during FY 2014-15 was 9.6% and the average increase in the remuneration of KMPs was 4.9%.

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 9.6% whereas the increase in the managerial remuneration for the same financial year was 4.9%.

- (viii) The key parameters for the variable component of remuneration availed by the directors:

Based on the recommendations of the Nomination and Remuneration Committee and as per the Remuneration Philosophy / Policy of the Company.

- (ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

None of the employees has remuneration more than the highest paid directors.

- (x) Affirmation that the remuneration is as per the remuneration policy of the Company:

The remuneration of Directors was as per the Remuneration Policy of the Company.

Annexure 'G' to the Directors' Report

Secretarial Audit Report

For the Financial Year ended on March 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Idea Cellular Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Idea Cellular Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period)'and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period)
- (vi) Telecom Regulatory Authority of India Act, 1997 and the rules and regulations made thereunder, Department of Telecommunication guidelines and License Agreements .

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above .

The Company has not appointed Small shareholders' director as given under section 151 of the Companies Act, 2013 read with Rule 7 of the Companies (Appointment and Qualification of Directors) Rules 2014, since the same is not mandatory.

We further report that:

Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance *except in two instances* wherein the shorter notices were consented by the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions in the Board is carried through, while the dissenting members' views, if any, in general meetings are captured and recorded as part of the minutes.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has undertaken event/ action having a major bearing in the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- (i) Preferential Allotment of 51,838,540 Equity shares of face value of ₹ 10/- each to Axiata Investments 2 (India) Limited at an issue price of ₹ 144.68 per Equity share, including a premium of ₹ 134.68 per Equity Share.
- (ii) Qualified Institutional Placement of 223,880,597 Equity shares of face value of ₹ 10/- each to qualified institutional buyers (the "QIBs") at an issue price of ₹ 134/- per Equity share, including a premium of ₹ 124/- per Equity Share, aggregating approximately to ₹ 30,000 million.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
Membership No.: 4411
C.P. No.: 2924

Place: Ahmedabad
Date : April 27, 2015

Note : This Report to be read with our letter of even date which is annexed as Annexure-A and forms part of this Report.

Annexure-A to the Secretarial Audit Report

To
The Members,
Idea Cellular Limited.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
Membership No.: 4411
C.P. No.: 2924

Place: Ahmedabad
Date : April 27, 2015

Annexure 'H' to the Directors' Report

Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

CIN	L32100GJ1996PLC030976
Registration Date	March 14, 1995
Name of the Company	Idea Cellular Limited
Category/Sub-Category of the Company	Company Limited by shares/Indian Non-Government Company
Address of the Registered office and contact details	Suman Tower, Plot No. 18, Sector-11, Gandhinagar, Gujarat- 382 011 Tel : +91-79-66714000 Fax : +91-79-23232251 E-mail: shs@idea.adityabirla.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent	M/s. Bigshare Services Private Limited E -2 & 3, Ansa Industrial Estate Saki-Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072 Tel: +91-22-2847 0652 / 4043 0200 E-mail: investor@bigshareonline.com

II. Principal Business Activities of the Company

Business contributing 10% or more of the total turnover of the Company are given below:

Sr. No.	Name and Description of main products / services	NIC Code of the product/ service*	% to total turnover of the Company
1	Wireless Telecommunication Services	612	98.57%

* As per National Industrial Classification - Ministry of Statistics and Programme Implementation

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name of the Company	Address	CIN /Registration No.	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Idea Cellular Services Limited	Suman Tower, Plot No. 18, Sector-11, Gandhinagar-382 011	U74140GJ2007PLC051881	Subsidiary	100	2(87)
2	Idea Cellular Infrastructure Services Limited	Suman Tower, Plot No. 18, Sector-11, Gandhinagar-382 011	U45208GJ2007PLC051880	Subsidiary	100	2(87)
3	Idea Mobile Commerce Services Limited	7th Floor, Konnectus Building, Bhavbhuti Marg, Near Minto Bridge, Connaught Place, New Delhi- 110 001	U32204DL2007PLC169599	Subsidiary	100	2(87)
4	Idea Telesystems Limited	A-26/5, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi- 110 044	U74899DL1983PLC016517	Subsidiary	100	2(87)
5	Aditya Birla Telecom Limited	Aditya Birla Centre, A Wing, S.K. Ahire Marg, Worli, Mumbai- 400 030	U64202MH2005PLC158190	Subsidiary	100	2(87)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
1 Indian									
(a) Individual/HUF	233,333	-	233,333	0.01	233,333	-	233,333	0.01	0.00
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	1,520,445,714	-	1,520,445,714	45.80	1,520,445,714	-	1,520,445,714	42.26	(3.54)
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	1,520,679,047	-	1,520,679,047	45.81	1,520,679,047	-	1,520,679,047	42.27	(3.54)
2 Foreign									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	1,520,679,047	-	1,520,679,047	45.81	1,520,679,047	-	1,520,679,047	42.27	(3.54)
B. Public Shareholding									
1 Institutions									
(a) Mutual Funds	23,024,704	-	23,024,704	0.69	72,745,373	-	72,745,373	2.02	1.33
(b) Banks/FI	39,463,893	-	39,463,893	1.19	22,111,703	-	22,111,703	0.61	(0.58)
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	3,350,000	-	3,350,000	0.09	0.09
(f) Insurance Companies	17,600,443	-	17,600,443	0.53	68,631,201	-	68,631,201	1.91	1.38
(g) FIs	647,506,093	-	647,506,093	19.51	884,976,482	-	884,976,482	24.60	5.09
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	727,595,133	-	727,595,133	21.92	1,051,814,759	-	1,051,814,759	29.23	7.31
2 Non-Institutions									
(a) Bodies Corporate									
i) Indian	23,188,350	-	23,188,350	0.70	13,674,507	-	13,674,507	0.38	(0.32)
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	43,874,420	11,608	43,886,028	1.32	39,725,498	7,012	39,732,510	1.10	(0.22)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6,031,171	-	6,031,171	0.18	7,554,956	-	7,554,956	0.21	0.03

i) Category-wise Share Holding (Continued)

Category of shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
c) Others									
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Foreign Companies	990,162,003	-	990,162,003	29.83	957,000,543	-	957,000,543	26.60	(3.23)
Non-resident Indians	1,571,206	5,000	1,576,206	0.05	1,583,900	5,000	1,588,900	0.04	(0.01)
Trust	722,121	-	722,121	0.02	230,877	-	230,877	0.01	(0.02)
Clearing Members	5,791,702	-	5,791,702	0.17	5,568,328	-	5,568,328	0.16	(0.02)
Sub-total (B)(2)	1,071,340,973	16,608	1,071,357,581	32.27	1,025,338,609	12,012	1,025,350,621	28.50	(3.79)
Total Public Shareholding (B)= (B)(1)+(B)(2)	1,798,936,106	16,608	1,798,952,714	54.19	2,077,153,368	12,012	2,077,165,380	57.73	3.52
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,319,615,153	16,608	3,319,631,761	100	3,597,832,415	12,012	3,597,844,427	100	

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in during Shareholding during the year (#)
		No. of shares	% of total shares	% of shares pledged / encumbered to total shares	No. of shares	% of total shares	% of shares pledged / encumbered to total shares	
1	Aditya Birla Nuvo Limited	837,526,221	25.23	-	837,526,221	23.28	-	(1.95)
2	Birla TMT Holdings Pvt. Ltd.	283,565,373	8.54	-	283,565,373	7.88	-	(0.66)
3	Hindalco Industries Limited	228,340,226	6.88	-	228,340,226	6.35	-	(0.53)
4	Grasim Industries Limited	171,013,894	5.15	-	171,013,894	4.75	-	(0.40)
5	Mr. Kumar Mangalam Birla	233,333	0.01	-	233,333	0.01	-	(0.00)
Total		1,520,679,047	45.81	-	1,520,679,047	42.27	-	(3.54)

Note: # There is no change in the actual number of shares held by the promoters. The decrease in percentage of total promoter shareholding from 45.81% to 42.27% is due to issuance of 223,880,597 Equity Shares under Qualified Institutions Placement, Preferential Issue of 51,838,540 Equity Shares and ESOS allotment of 2,493,529 Equity Shares.

iii) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,520,679,047	45.81	1,520,679,047	45.81
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease	There is no change in the actual number of shares held by the promoters. The decrease in percentage of total promoter shareholding from 45.81% to 42.27% is due to issuance of 23,880,597 Equity Shares under Qualified Institutions Placement, Preferential Issue of 51,838,540 Equity Shares and ESOS allotment of 2,493,529 Equity Shares.			
At the end of the year	1,520,679,047	42.27	1,520,679,047	42.27

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Change in shareholding (No. of shares)		Shareholding at the end of year	
		No. of shares	% of total shares	Bought during the year	Sold during the year	No. of shares	% of total shares
1	Colonial First State Investments Limited As Responsible Entity For The Colonial First State Wholesale Global Emerging Markets Fund [®]	17,644,927	0.53	-	5,448,693	12,196,234	0.34
2	First State Investments (Hongkong) Limited A/C First State Global Emerging Markets Leadersfund [®]	19,328,760	0.58	-	8,743,027	10,585,733	0.29
3	P5 Asia Investments (Mauritius) Ltd	330,000,000	9.94	-	85,000,000	245,000,000	6.81
4	Axiata Investments 2 (India) Limited	195,427,333	5.89	51,838,540 [#]	-	247,265,873	6.87
5	Axiata Investments 1 (India) Limited	464,734,670	14.00	-	-	464,734,670	12.92
6	ICICI Prudential Life Insurance Company Ltd. [§]	8,943,090	0.27	48,130,400	4,920,401	52,153,089	1.45
7	Vanguard International Growth Fund	52,497,932	1.58	14,284,489	6,137,179	60,645,242	1.69
8	Vanguard Emerging Markets Stock Index Fund, A series Of Vanguard International Equity Index Fund	13,990,172	0.42	12,558,223	314,592	26,233,803	0.73
9	National Westminster Bank Plc As Depository Of First State Asia Pacific Leaders Fund A Sub Fund Of First State Investments ICVC	33,380,745	1.01	72,832,788	51,801,428	54,412,105	1.51
10	National Westminster Bank Plc As Depository Of First State Global Emerging Markets Leaders Fund A Sub Fund Of First State Investments 1	86,734,095	2.61	-	42,562,055	44,172,040	1.23
11	Europacific Growth Fund [§]	-	0.00	62,667,011	-	62,667,011	1.74
12	Copthall Mauritius Investment Limited @	21,234,345	0.64	15,165,559	13,640,151	22,759,753	0.63
13	Parvest Equity India [§]	1,525,000	0.05	28,675,000	1,000,000	29,200,000	0.81

Notes:

- The above information is based on the weekly beneficiary position received from Depositories. As it is not feasible to provide daily change in shareholding, therefore consolidated changes during the financial year 2014-15 has been provided.
 - Date wise increase/ decrease in shareholding of the top ten shareholders is available on the Company's website [www. ideacellular.com](http://www.ideacellular.com)
- @ Not there in the list of Top Ten shareholders as on March 31, 2015. Same has been reflected above as the respective shareholder was one of the top ten shareholder as on April 1, 2014.
- # Shares allotted pursuant to the Preferential Issue made by the Company under as per Chapter VII of SEBI (ICDR) Regulations, 2009.
- § Not there in the list of Top Ten shareholders as on April 1, 2014. Same has been reflected above as the respective shareholder was one of the top ten shareholder as on March 31, 2015.

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease during the year	Reasons	Cumulative Shareholding during the year/ Shareholding at the end of year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
A	Directors							
1	Mr. Kumar Mangalam Birla	233,333	0.01	April 1, 2014 March 31, 2015			233,333	0.01
2	Mr. Arun Thiagarajan	7,700	0.00	April 1, 2014 March 31, 2015			7,700	0.00
3	Mr. Gian Prakash Gupta	4,192	0.00	April 1, 2014 March 31, 2015			4,192	0.00
4	Ms. Tarjani Vakil	147	0.00	April 1, 2014 March 31, 2015			147	0.00
5	Mr. Sanjeev Aga	200,000	0.01	April 1, 2014 Spetember 15, 2014 September 16, 2014 September 17, 2014 September 18, 2014 November 25, 2014 December 5, 2014 December 16, 2014 March 31, 2015	3,000 12,000 4,200 800 5,000 5,000 5,000	Market Purchase Market Purchase Market Purchase Market Purchase Market Purchase Market Purchase Market Purchase	203,000 215,000 219,200 220,000 225,000 230,000 235,000 235,000	0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.01
6	Dr Rakesh Jain (Ceased to be director with effect from 15.12.2014)	5,000	0.00	April 1, 2014 March 31, 2015			5,000	0.00
7	Mr.Himanshu Kapania	314,375	0.01	April 1, 2014 September 2, 2014 March 31, 2015	(30,000)	Market Sale	284,375 284,375	0.01 0.01
B.	Key Managerial Personnel							
1	Mr. Akshaya Moondra	80,000	0.00	April 1, 2014 October 22, 2014 March 30, 2015 March 31, 2015	60,500 (10,000)	Shares allotted under ESOP Market Sale	140,500 130,500 130,500	0.00 0.00 0.00
2	Mr. Pankaj Kapdeo	28,452	0.00	April 1, 2014 July 25, 2014 July 25, 2014 July 31, 2014 December 29, 2014 March 30, 2015 March 31, 2015	5,188 (5,000) (5,000) 20,750 (15,000)	Shares allotted under ESOP Market Sale Market Sale Market Purchase Market Sale	33,640 28,640 23,640 44,390 29,390 29,390	0.00 0.00 0.00 0.00 0.00 0.00

Notes:

- 1 Apart from above mentioned Directors, no other directors hold any shares in the Company.
- 2 Shares held singly or as first holder only considered.

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment ₹ Mn

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	92,573	101,044	-	193,617
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	675	1,284	-	1,959
Total (i+ii+iii)	93,248	102,328	-	195,576
Change in Indebtedness during the financial year				
• Addition	82,379	20,711	-	103,090
• Reduction	25,156	12,807	-	37,963
Net Change	57,223	7,904	-	65,127
Indebtedness at the end of the financial year				
i) Principal Amount	149,898	108,856	-	258,754
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	573	1,375	-	1,948
Total (i+ii+iii)	150,471	110,231	-	260,702

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager ₹ Mn

Sr. No.	Particulars of Remuneration	Mr. Himanshu Kapania (Managing Director)
1	Gross Salary	
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	82.88
b.	Value of perquisites u/s 17(2) of Income Tax Act, 1961	2.99
c.	Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	
-	as % of profit	-
-	other, specify	-
5	Others (Retiral Benefits)	1.93
Total (A)		87.80

Ceiling as per the Act (Being 10% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)

₹ 4,339.08 Mn

Note: Mr. Himanshu Kapania has not exercised any stock options during FY 2014-15

B. Remuneration to Non-Executive Directors including Independent Directors

₹ Mn

Name of Director	Fee for attending Board/committee meetings	Commission ¹	Total Amount
Independent Directors			
Mr. Arun Thiagarajan	0.43	2.70	3.13
Mr. Gian Prakash Gupta	0.31	1.56	1.87
Mr. Mohan Gyani	0.14	0.89	1.03
Ms. Tarjani Vakil	0.50	3.01	3.51
Mr. R.C. Bhargava	0.20	1.56	1.76
Mr. P. Murari	0.11	0.88	0.99
Mrs. Madhabi Puri Buch	0.13	1.11	1.24
Total (B1)	1.82	11.71	13.53
Non-Executive Directors			
Mr. Kumar Mangalam Birla (Chairman)	0.10	133.51	133.61
Mrs. Rajashree Birla	0.11	1.49	1.60
Mr. Sanjeev Aga	0.29	1.71	2.00
Mr. Biswajit A. Subramanian ²	0.02	-	0.02
Dr. Shridhir Sariputta Hansa Wijayasuriya	0.20	1.58	1.78
Dr. Rakesh Jain ³	0.18	-	0.18
Total (B2)	0.90	138.29	139.19
Total (B) = (B1) + (B2)	2.72	150.00	152.72
Ceiling as per the Act (Being 1% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)		₹ 433.91 Mn	
Total Managerial Remuneration (A+B)		₹ 240.52 Mn	
Total ceiling as per the act (Being 11% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)		₹ 4,772.99 Mn	

Notes:

1. Commission for the Financial Year ended 31.03.2015 will be paid after adoption of accounts by the shareholders at the Annual General Meeting to be held on 28.09.2015. Commission for the Financial year ended 31.03.2014 aggregating to ₹ 100 Mn was paid during the financial year 2014-15.
2. Mr. Biswajit Subramanian ceased to be director of the Company with effect from 20.10.2014.
3. Dr. Rakesh Jain ceased to be director of the Company with effect from 15.12.2014.

C. Remuneration to Key Managerial Personnel other than Managing Director/Whole-time Directors/Manager:

₹ Mn

Sr. Particulars of Remuneration No.	Key Managerial Personnel		Total Amount
	Mr. Akshaya Moondra Chief Financial Officer	Mr. Pankaj Kapdeo Company Secretary	
1 Gross Salary			
a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	19.46	7.14	26.60
b. Value of perquisites u/s 17(2) of Income Tax Act, 1961 ⁽¹⁾	0.31	0.03	0.34
c. Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-
2 Stock Options ⁽¹⁾	6.27	2.57	8.84
3 Sweat Equity	-	-	-
4 Commission	-	-	-
- as % of profit	-	-	-
- other, specify	-	-	-
5 Others (Retiral Benefits)	0.46	0.28	0.74
Total	26.50	10.02	36.52

Note:

1 Value of perquisites u/s 17(2) of the Income Tax Act, 1961 does not include perquisite value of ₹ 6.27 Mn and ₹ 2.57 Mn, towards stock options exercised by Mr. Akshaya Moondra and Mr. Pankaj Kapdeo respectively during FY 2014-15. The same has been shown separately in point no. 2.

VII Penalties/Punishment/Compounding of Offences

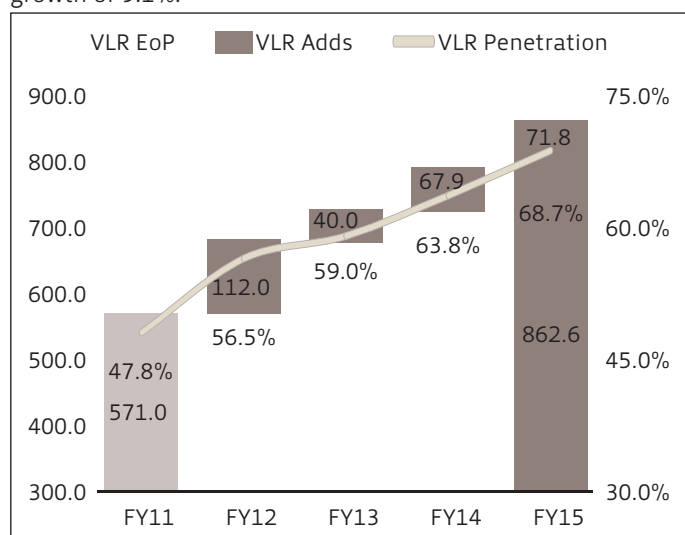
There were no penalties/punishment/compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

Management Discussion And Analysis Report

Indian Wireless Sector

The events that have marked the Indian wireless sector during the financial year 2014-15 are indeed the steps in the path towards the vision of “Digital India”; a program to transform India into a digitally empowered society and knowledge economy. Firstly, the Government has clearly identified the 3 key areas - ‘Digital Infrastructure as a Utility to Every Citizen’, ‘Governance & Services on Demand’ and ‘Digital Empowerment of Citizens’ which are supported by 9 pillars with the aim of connecting 250,000 Gram Panchayats in phased manner and providing most of the government services via digital platform. Secondly, the DoT has offered additional spectrum under 800 MHz, 1800 MHz and 2100 MHz band which can be used for the advanced technologies like 3G or 4G; along with the added efforts initiated by DoT towards spectrum harmonization. And lastly mobile operators have made large commitments in the spectrum auctions as well as towards rolling out the next generation wireless networks.

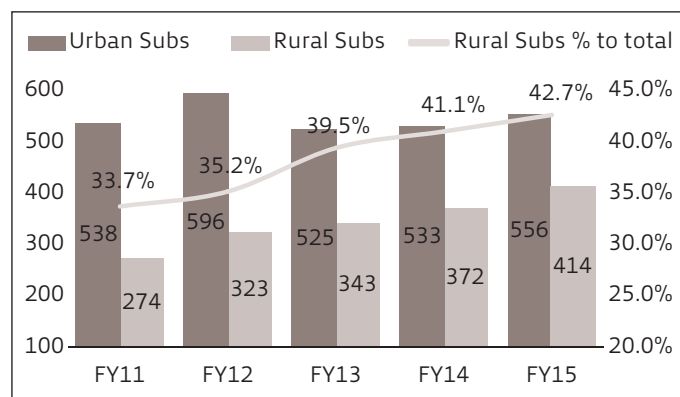
The subscriber addition during 2014-15 continued to remain robust in the second largest wireless market globally. On an incremental basis, the subscriber addition of 65.4 Mn during Financial Year 2014-15 was the highest across the globe, surpassing the net subscriber addition in world’s largest wireless market of China, for the first time. The reported subscriber base stood at 969.9 Mn as of March 2015, registering a YoY growth of 7.2%. The VLR subscriber addition during the same period stands at 71.8 Mn, taking the VLR subscriber base to 862.6 Mn, a YoY growth of 9.1%.



Subscriber penetration is still at around 68.7% based on VLR subs, against penetration of around 77.3% based on reported subscriber.

A large part of the incremental subscriber addition continues to come from rural India. Out of the total subscriber addition of

65.4 Mn during Financial Year 2014-15, 42.4 Mn subscribers are added from rural areas, constituting 64.9% of subscriber addition. The urban penetration stands at 143.1%, while the rural penetration is still at 47.8%; indicating the growth potential for the industry.



Incremental subscribers are coming largely from rural areas.

Number of wireless internet subscribers increased to 248.5 Mn as of December, 2014 from 220.4 Mn subscribers as of December, 2013 (TRAI performance indicator report), an addition of 28.1 Mn subscribers. Further, the wireless broadband (>512 kbps) subscriber base has increased to 83.7 Mn as of March 2015, an addition of 37.7 Mn subscribers in one year; reflecting a solid growth of 81.9%. The wireless broadband subscriber penetration (of reported subscribers) improved from 5.1% as of March, 2014 to 8.6% as of March, 2015.

While the voice business continues to grow; the data business acts as a growth driver for the Industry. The strong incumbent operators continued with the expansion of their 2G and 3G network to meet the growing demand of Voice and data. The gross revenue for the sector, during the Financial Year 2014-15, registered 10.8% growth compared to Financial Year 2013-14 of 9.6%. The top three incumbent operators, including Idea, accounted for around 87% of the incremental industry revenue in Financial Year 2014-15.

Spectrum Auction

The Spectrum Auction for 800 MHz band, 900 MHz band, 1800 MHz band and 2100 MHz band commenced on March 4, 2015. The auction was conducted in 20 service areas for 800 MHz band, 17 service areas for 900 MHz band, 15 service areas for 1800 MHz band and 17 service areas for 2100 MHz band. The total spectrum placed for auction, in all four bands, was 470.75 MHz i.e. 108.75 MHz in 800 MHz band, 177.8 MHz in 900 MHz band, 99.2 MHz in 1800 MHz band and 85 MHz in 2100 MHz band. A large chunk of the spectrum offered for auction in 800 MHz band and 1800 MHz band was ‘New Spectrum’ and the entire spectrum put to auction in 2100 MHz band was ‘New Spectrum’.

However the entire spectrum auctioned under 900 MHz band was 'in-use Spectrum' by existing operators whose licenses were due for extension/renewal in the year 2015/2016. The Spectrum auction concluded on March 25, 2015 after 22 days and 115 rounds.

Out of the total spectrum put to auction ~79% (86.25 MHz) of 800 MHz band, ~94% (168 MHz) of 900 MHz band, ~95% (93.8 MHz) of 1800 MHz band and ~82% (70 MHz) of 2100 MHz band spectrum, the cumulative pay-out amounts of the successful bidders was in excess of ₹ 1.09 lakh crore.

Auction Results are summarised in the following table:

Operator	Number of Service Areas/ (Quantum of Spectrum)				Total
	800 MHz	900MHz	1800MHz	2100MHz	
Idea Cellular Ltd.	-	9 (54.0 MHz)	6 (20.4 MHz)	1 (5 MHz)	10 (79.4 MHz)
Bharti Airtel Ltd.	-	10 (61.2MHz)	6 (15.4MHz)	7 (35 MHz)	17 (111.6 MHz)
Vodafone India	-	8 (42.8 MHz)	3 (5.6 MHz)	6 (30 MHz)	12 (78.4 MHz)
RJio Limited	10 (48.75MHz)	-	6 (28.0MHz)	-	13 (76.75 MHz)
Tata Teleservices Ltd.	5 (11.25 MHz)	-	1 (2.6 MHz)	-	5 (13.85 MHz)
Reliance Comm Ltd.	11 (26.25 MHz)	8 (10.0 MHz)	5 (11.8 MHz)	-	13 (48.05 MHz)
Aircel Ltd.	-	-	1 (10.0 MHz)	-	1 (10 MHz)
Total	86.25 MHz	168.0 MHz	93.8 MHz	70.0 MHz	22 (418.05)

Discussion on Idea's Operational Performance and Consolidated Financial statements

Mobile Business

Your company provides GSM-based mobile telecommunications services in all 22 Service Areas of India, and 3G services in 21 Service Areas. Your Company offers 3G services in 12 Service Areas pursuant to spectrum allocated to it and provides 3G services in remaining Service Areas through intra-circle roaming arrangements with other mobile telecommunications service providers.

Out of 22 service areas, your company is among the top three operators in 12 service areas based on revenue market share. In 4 service areas (representing around 22% of Industry wireless revenue) it holds leadership position and is the 3rd largest operator based on combined revenue of these 15 service areas which represents around 80% of Industry wireless revenue. Your Company continues to expand its presence in these 15 service areas to consolidate its strong position and improve its profitability.

Service Areas	15 Service Areas				
	RMS Q4FY12	RMS Q4FY15	Change Spectrum in RMS	Spectrum Profile	RMS Rank
Kerala	33.7%	39.7%	6.0%	2G/3G/4G	1
Madhya Pradesh	31.7%	39.6%	7.9%	2G/3G/4G	1
Maharashtra	28.3%	32.4%	4.1%	2G/3G/4G	1
U.P. (West)	29.2%	31.3%	2.1%	2G/3G	1
Haryana	23.3%	26.9%	3.6%	2G/3G/4G	2
Punjab	20.8%	24.4%	3.6%	2G/3G/4G	2
Andhra Pradesh	18.4%	23.6%	5.2%	2G/3G/4G	2
Gujarat	18.1%	22.4%	4.3%	2G/3G	2
Bihar	9.9%	12.9%	3.0%	2G	2
U.P. (East)	13.2%	13.8%	0.6%	2G/3G	3
Rajasthan	11.3%	13.1%	1.8%	2G	3
Delhi	11.1%	12.4%	1.3%	2G/3G	3
Himachal Pradesh	8.5%	12.6%	4.1%	2G/3G	4
Karnataka	10.0%	11.4%	1.4%	2G/4G	4
Mumbai	8.1%	10.6%	2.5%	2G	4
Total	18.0%	21.3%	3.3%		3

These 15 service areas account for around 94% of company revenue. Idea also has the spectrum to offer 4G LTE services on 1800 MHz in 7 service areas.

Seven operating licenses (representing around 20% of Industry wireless revenue) of the Company which were cancelled by the Supreme Court in February, 2012, were re-acquired by the company in November, 2012 auction. These 7 service areas, where the commercial operations were started in FY 2009-10, are gestating in terms of profitability. Post reduction in competitive intensity, your Company has started investing in these service areas to improve its coverage.

Service Areas	7 Service Areas				
	RMS Q4FY12	RMS Q4FY15	Change Spectrum in RMS	Spectrum Profile	RMS Rank
West Bengal	4.1%	8.4%	4.3%	2G	4
Jammu & Kashmir	2.7%	5.8%	3.1%	2G/3G	5
Kolkata	4.5%	6.6%	2.1%	2G/3G	6
North East	2.4%	4.3%	1.9%	2G/4G	6
Assam	1.9%	4.1%	2.2%	2G	6
Odisha	3.6%	5.0%	1.4%	2G/4G	7
Tamil Nadu	2.6%	4.8%	2.2%	2G/4G	7
Total	3.1%	5.6%	2.5%		6

These service areas represent 6% of company revenue and Idea has a huge potential to grow.

In March, 2015 spectrum auction, the Company won 79.4 MHz spectrum, including 54 MHz spectrum in 900 MHz band for 9 service areas where licenses are due to expire in

December, 2015/April, 2016, 5 MHz spectrum of 2100 MHz band (3G) for Kolkata Service Area and additional 20.4 MHz spectrum in 1800 MHz band out of which spectrum can be used for providing LTE or 4G services in the service areas of Tamil Nadu and Odisha. The spectrum won in auction is valid for a period of 20 years from the date of allocation.

On an overall basis your Company has 270.7 MHz of spectrum with highest renewal of 'in use' spectrum among incumbent operators of 16 service areas out of 22 service areas. Out of remaining 6 service areas 4 service areas renewal is due in FY 2022 and 2 service areas in FY 2026. In the last 4 spectrum

auctions in the year of 2010, 2012, 2014 and 2015, the Company has committed a sum of ₹ 48,362 crores towards spectrum purchase. DoT has allocated spectrum won in the March, 2015 auction, except for 900 MHz spectrum in 9 service areas, which would be allocated to the company at the time of expiry of licences in December, 2015 for 7 service areas and in April, 2016 for 2 service areas.

Below table provides the spectrum held by the company across all service areas post March, 2015 Auction and the spectrum split over use across various technologies of GSM (2G), HSPA+(3G) and LTE (4G).

Circles	Current Spectrum Profile (in MHz)					Capability to Offer		
	900	1800 GSM	1800 LTE	2100	Total	GSM	3G	LTE
Maharashtra	9.0	4.0	5.0*	5.0	23.0	✓	✓✓#	✓
Kerala	6.0		10.0	5.0	21.0	✓	✓	✓✓#
Madhya Pradesh	7.4	2.0	5.0	5.0	19.4	✓	✓	✓
Punjab	5.6	3.0	5.0*	5.0	18.6	✓	✓	✓
Haryana	6.0	1.0	5.0*	5.0	17.0	✓	✓	✓
Andhra Pradesh	5.0	1.0	5.0	5.0	16.0	✓	✓	✓
Himachal Pradesh		9.2**		5.0	14.2	✓	✓	x
Delhi	5.0	8.6			13.6	✓	✓	x
U.P. (West)	5.0	2.2**		5.0	12.2	✓	✓	x
Gujarat	5.0	1.6		5.0	11.6	✓	✓	x
Tamil Nadu		6.4	5.0		11.4	✓	x	✓
U.P. (East)		6.2		5.0	11.2	✓	✓	x
Karnataka	5.0	1.0	5.0		11.0	✓	x	✓
North East		6.0**	5.0*		11.0	✓	x	✓
Jammu & Kashmir		5.0		5.0	10.0	✓	✓	x
Kolkata		5.0		5.0	10.0	✓	✓	x
Odisha		5.0	5.0		10.0	✓	x	✓
Mumbai		6.4			6.4	✓	x	x
West Bengal		6.25			6.25	✓	x	x
Rajasthan		6.2			6.2	✓	x	x
Bihar		5.65			5.65	✓	x	x
Assam		5.0			5.0	✓	x	x
Total Spectrum	59.0	96.7	55.0	60.0	270.7			
Number of markets where Idea can deploy						22	13+1#	10+1#
Industry Revenue Contribution %						100%	60%	50%
Idea Revenue Contribution %						100%	79%	61%

*Contiguous block of 5 MHz (1800 MHz) spectrum is not available in Pune and Nasik for Maharashtra, Amritsar & Ludhiana for Punjab, Sirsa for Haryana and Khasi Hill & Tawang for North East Service Area

**4.0 MHz in Himachal Pradesh, 1.8 MHz in U.P. (West) and 1 MHz in North East is partially available.

Second Carrier

Long Distance and Other Services

Your Company holds licenses for NLD, ILD and ISP services. Idea NLD currently carries around 98% of its captive NLD minutes. Idea ILD services now handle around 99% of captive ILD outgoing minutes, besides bringing large volume of incoming minutes from top international carriers across the globe. Idea launched its ISP services in FY 2012 to cater to the captive requirement of its mobile business, which now, also started offering ISP services to external customers like small ISP and enterprise customers for their wholesale Internet backhaul needs. Idea ISP currently handles more than 99% of captive subscriber traffic requirements.

Your Company is making steady investments in its fibre cable transmission network (owned as well as under IRU arrangement with other telecom operators), which is now cumulatively expanded to 93,400 kms, compared to 82,000 kms a year ago, an increase of 11,400 Km in a year. Your Company has also increased the OFC PoPs to over 5,000 PoPs in major cities and linked highways. The fibre network of company allows company to tap the future potential of wireless broadband as well as optimally serve its current NLD/ ILD/ ISP/Wireless Broadband needs.

	Unit	For the Year		
		FY15	FY14	FY13
Total NLD Minutes	Mn	60,497	53,638	46,188
Total ILD Minutes	Mn	8,246	5,544	4,269
ISP Capacity*	Gbps	124.0	54.70	24.40
Optical Fibre Cable (OFC)*	Km	93,400	82,000	74,000

**approximate*

Network Infrastructure and Coverage

Your Company continues to expand its 2G and 3G network aggressively during the year. It has added 7,589 2G sites on its network, taking the 2G site count to 112,367 as on March 31, 2015. On 3G front company added 8,910 3G cell sites in the 12 service areas where it provides 3G services with its own spectrum, highest ever 3G cell site addition as well as more than 2G site addition for the first time, since launch of 3G services. The company ended the financial year with 30,291 3G sites.

Company has expanded its reach to 364,796 towns and villages as of March, 2015 from 351,502 towns and villages as of March, 2014. The 2G network of your company covers nearly 78% of Indian Population (around 950 Mn).

Tower Portfolio

Company and its subsidiaries own 9,557 towers with a tenancy of over 1.60 as of March 31, 2015. The tenancy ratio for own towers remained in the range of 1.56 to 1.57 during FY 2014

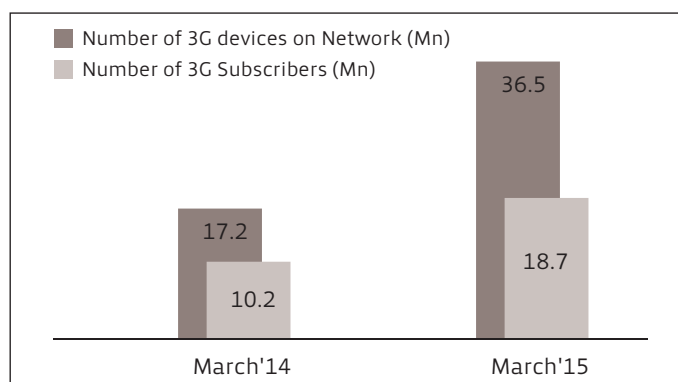
and FY 2013. However, Company remained focused to improve the tenancy on its own towers and during the year tenancy has improved consistently on quarterly basis from 1.57 at the start of the year to 1.60 in Q4FY15.

Besides these towers, your Company through its wholly owned subsidiary Aditya Birla Telecom Ltd. (ABTL), holds 16% equity stake in Indus Towers Limited (Indus). Indus, a joint venture between Bharti Group, Vodafone Group and your Company (thru ABTL), is one of the world's leading tower company with 115,942 towers and tenancy ratio of 2.19 as of March 31, 2015. Providence Equity Partners, through its entity P5 Asia Holding Investments (Mauritius) Limited, beneficially holds 1,925,000 compulsorily convertible preference shares of ABTL, convertible into equity shares representing 30.3% of the total equity share capital in ABTL post conversion of the said preference shares. The aforesaid holding of Providence Equity Partners' reflects beneficial equity interest in Indus of 4.85% (assuming no other change in the equity share capital of Indus).

3G Services

Your Company, in 2010, won spectrum in 2100 MHz band in 11 service areas to provide 3G services. The 3G spectrum for Punjab service areas, which company won in 2010, was allocated to company during the current financial year and company launched 3G services in Punjab in May, 2014. Additionally, company acquired 5 MHz spectrum in 900 MHz band in Delhi service area in February 2014 Spectrum Auction, and launched 3G services in the month of March, 2015.

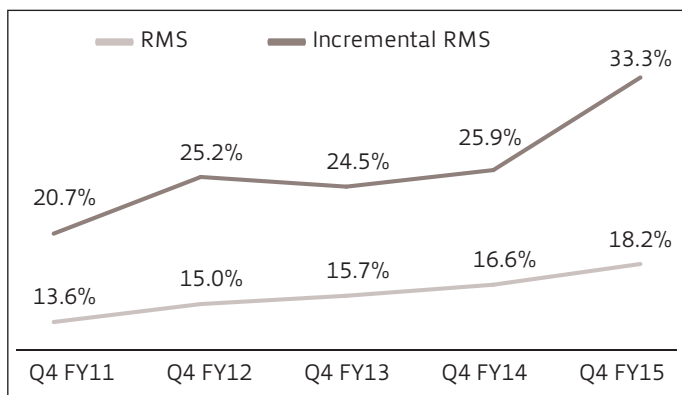
The high speed broadband offering of your Company is currently available in 21 service areas (including service areas where these services are provided based on roaming arrangements with other operators). The number of 3G devices on Idea network has increased from 17.2 Mn as of March, 31, 2014 to 36.5 Mn, a growth of 112.2%. The subscribers who are actively using voice and/or data on 3G platform and enjoying wireless broadband services reached to 18.7 Mn as of March, 2015, compared to 10.2 Mn subscribers as of March, 2014, a growth of over 83%.



Revenue Market Share

Revenue Market Share (RMS) is one of the key focus areas for your Company. Your company has improved its Revenue Market

Share by around 1.6%, the highest improvement in last one year across all operators, to 18.2% for quarter ended March 31, 2015 from 16.6% in quarter ended March 31, 2014. During the same period (in last 12 months) the incremental revenue market share for your company stands at 33.3%.



Your company has consistently improved its revenue market share.

Quality Subscriber Base

Your Company is the sixth largest mobile telecommunications company (counted on operations in a single country) in the world based on number of subscribers (GSMA Intelligence, as of March, 2015) currently servicing over 161 Mn active subscribers on VLR as of March 31, 2015. Your Company has always been vigilant in monitoring the quality of its subscriber base. The data released by the TRAI for active subscribers (VLR subscribers) as of March 31, 2015, reaffirms quality of Company's subscriber base as among the best in terms of percentage of active subscribers. As of March 2015, Your Company has 102.3% of reported subscribers as VLR subscribers, which is highest in the industry. The End of Period (EoP) subscriber market share (on VLR) as on March, 2015 stands at 18.7%, as against a reported subscriber markets share of 16.3%. During the Financial Year 2014-15 Your Company has improved its VLR subscriber market share by 1.3%.

On an incremental basis your Company has added 23.5 Mn subscriber against overall industry annual VLR subscriber addition of 71.8 Mn, gaining incremental VLR subscriber market share of 32.8%, which is highest in the industry. Today, nearly 1 out of 3 Indian who buy new connection, prefer to join your company.

Mobile Number Portability

The Mobile Number Portability (MNP) was implemented nationwide on January 20, 2011 and nearly 124 Mn customers have availed the MNP facility offered by Indian Mobile Industry. The trends emerging from MNP are clearly distinguishing the strong operators in terms of customers' preference for better quality of services and brand value. In a see-saw battle over the last 51 months for supremacy in the MNP space, Idea has maintained leadership position on overall MNP Net Adds. As on

March 31, 2015 Idea has a net MNP gain of 13.4 Mn customers from other existing telecom operators with one out of every four existing mobile customers, who chooses to port out from their existing mobile operator prefer to shift and stay with world class Idea services.

Your Company's success on the MNP front clearly shows the strength of its seamless network coverage, low call drop rate, better voice quality, advanced and precise billing systems, customer oriented call centers and innovative/competitive product offerings.

Idea Mobile Banking Services

Idea, through its wholly owned subsidiary Idea Mobile Commerce Services Ltd. (IMCSL) is providing mobile banking service to its subscribers in selected service areas. The two ways in which a subscriber can access these services are:

- **Bank led Model**
 - a) **Business correspondent business with Axis Bank**
IMCSL entered into a Business Correspondent relationship with Axis Bank for the purpose of acquiring and servicing customers for savings account of Axis Bank through Idea retailers in August, 2012. The service enables customers who do not have access to banking services to open a bank account and avail basic services like cash deposit, withdrawal, remittances, utility payments etc. through mobile.
 - b) **NEFT and IMPS (Money Transfer Service)**
National Electronic Funds Transfer (NEFT) and Immediate Payment Service (IMPS) is a facility through which the customers can transfer funds to any Bank account across India at their own convenience by visiting any of our NEFT/IMPS retailers and avail the services as Over the Counter (OTC) service. NEFT money transfer over the counter services were launched in November, 2013 and later IMPS services were added in April, 2014. Delhi and Mumbai are the 'originating' and leading circles in the space of 'Money Transfer' business. IMCSL plans to increase the coverage of the service in existing locations and expand to new geographies later.
- **Prepaid Payment Instrument (PPI)**
PPI is commonly known as semi closed wallet. RBI granted Certificate of Authorisation to IMCSL for PPI in November, 2013. IMCSL commenced PPI services in Mumbai in July 2014 and in select cities of U.P. (East) and Bihar in December, 2014 and July, 2015 respectively. The services offered are both cash and web loading (through net banking) into the wallets. With PPI wallet balance one can recharge mobile of Idea and other operator's prepaid accounts, recharge DTH accounts, pay bills and make mobile digital wallet to digital wallet and wallet to bank account transfers. These wallet accounts can be opened with minimum KYC for balance up to ₹ 10,000/-. IMCSL is expanding coverage of these services to other cities in a phased manner.

Payments Bank

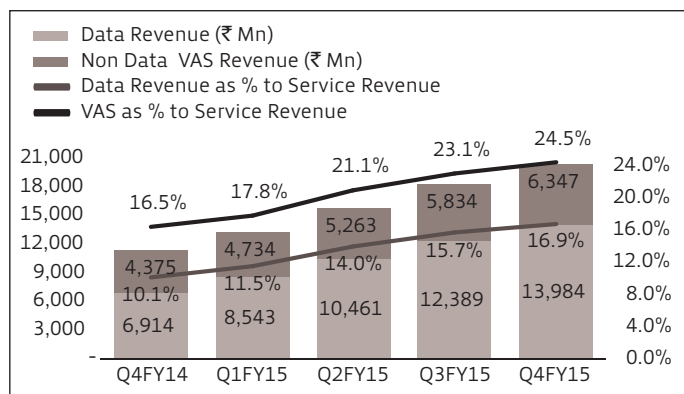
Your Company has partnered with Aditya Birla Nuvo Limited (ABNL), the promoter and single largest shareholder of the Company, which has made an application to the Reserve Bank of India (RBI) for grant of License for setting-up a “Payments Bank”, in accordance with the Guidelines for ‘Licensing of Payments Bank’ issued by RBI on November 27, 2014. As per the proposed structure, ABNL will hold 51% equity in the Payments Bank, which is proposed to be registered as “Idea Payments Bank Limited” and the balance equity would be held by your Company. The equity participation of the Company in the proposed Payments Bank may be increased up to 60%, subject to regulatory approvals, as applicable.

Non Voice Revenue

The Non-Voice revenue includes Data Revenue and Non Data VAS revenue from SMS and Voice & Text based VAS services and other VAS services.

The wired broadband penetration remains at a nascent stage (1.2%) in India. The wireless network remains preferred choice to access internet for the consumers. Hence, the data along with other Value Added Services (VAS) offers a substantial opportunity for additional growth in the Indian mobile telecommunication industry. The company is expanding its 3G network since launch of 3G services in FY 2010-11 to offer a superior experience to its customer. The expansion of data network coupled with reduction in 3G handset prices and availability of user friendly applications, has resulted in improved share of Data revenue in the total revenue. The data revenue for Financial Year 2014-15 stands at ₹ 45,378 Mn registering a growth of 96.3%, compared to data revenue of ₹ 23,112 Mn for Financial Year 2013-14. The Non-Data VAS revenue also registered a growth of 17.4% on YoY basis.

The contribution of Non voice revenue has improved from 16.5% in Q4FY14 to 24.5% in Q4FY15, an increase of 8% in last 12 months. As the 158 Mn existing subscribers upgrade their telecom usages from Voice to other range of our services, the Company is confident that the ‘Non-Voice Revenue’ contribution to the service revenue will continue to improve and will increase the Average Revenue Per User (ARPU).



Data revenue as a % of service revenue improved from 10.1% to 16.9%

Data revenue growth was driven by improving adoption of the data services by subscribers. The ARPU for the data subscriber increased to ₹ 150 in Q4FY15 compared to ₹ 104 in Q4FY14. The 3G data subscriber base of the company reached to 14.5 Mn as of March 2015, more than double compared to 7.2 Mn as of March 2014. In spite of large subscriber addition on 3G, the ARPU of 3G data subscribers increased by ₹ 45 per user, from ₹ 164 in Q4FY14 to ₹ 209 in Q4FY15. The following table provides the comparison of key data KPI

Description	Unit	Q4FY15	Q4FY14	Q4FY13
Total Data Suscribers (2G+3G)*	000	33,424	25,256	26,219
Total Data Volume (2G+3G)	Mn MB	54,510	27,299	11,421
Blended Data ARMB	paisa	25.7	25.3	33.9
Data ARPU for Data Subscriber (2G+3G)	INR	150	104	55
Data Usage by Data Subscriber (2G+3G)	MB	586	410	163
3G Data Subscribers	000	14,512	7,224	3,251
3G Data Volume	Mn MB	30,680	13,084	5,231
3G Data ARPU for 3G Data Subscriber	INR	209	164	105
3G Data Usages by 3G Data Subscribers	MB	777	681	385

Large Scale of Operations

Your company is the 6th largest mobile operator across globe based on number of subscribers (GSMA Intelligence, as of March 2015). Company carried more than 2.06 Bn minutes on a daily basis during Q4FY15. Company carried 683 Bn minutes on its network during FY 2015, compared to 588 Bn minutes in FY 2014, a growth of 16.3%. Further, addition of 95.7 Bn minutes in a year was one of the highest minutes addition by the company in last four years. Your company has carried 172.5 Bn MB of data volume, registering a growth of 117.3% compared to last year.

Power Brand

Brand Idea is a prime example of your Company's contrarian approach to building a successful business in the highly crowded and competitive Indian telecom industry. Idea created clutter breaking communication through thought leadership based on the idea of category building vis-à-vis the beaten path of product and service based advertising. Through futuristic ideas presented using quirky themes, it showcased the role of voice mobility in offering solutions to challenges faced by Indians – giving people a reason to enter the then small but high potential category of mobile telephony.

This framework has led to the creation of some very noticeable and memorable advertising like the ‘Caste War’, ‘Education for All’, ‘Use Mobile Save Paper’, ‘Break the Language Barrier’, ‘Population’ (India busy on Idea 3G), ‘Old Idea – New Idea’, ‘Idea

rings all India – Honey Bunny’ and ‘Telephone Exchange’ which have not only won many awards but also millions of hearts.

With this winning brand strategy, Brand Idea not only created thought leadership for itself in the consumers’ minds, but also actively participated in the growing of the category from less than 200 Mn to 900 Mn subscribers today.

Of the 900 Mn telecom subscribers, currently only 200 Mn use mobile data. The brand is today focusing on growing the mobile broadband category in its endeavor to add the next 500 Mn to 700 Mn data users.

Idea started this phase by building relevance for mobile broadband with its ‘No Ullu Banaoing’ campaign. It was targeted at those segments of people who have access to but did not see any use of mobile internet for themselves. The campaign led to usage trials and also communicated that Idea has a strong internet network across the country.

‘No UlluBanaoing’ has been followed up with the ‘Idea Internet Network – IIN in 2014-15. Education is a great leveler in India and is seen as a key to success. Consumers believe that getting the right education is a step towards achieving their maximum potential. With wide spread use of internet, education can now reach a new set of consumers who see this as a great opportunity to learn and improve the quality of their life.

The Idea Internet Network campaign tapped into this insight and chose education as a platform to connect with consumers across the length and breadth of the country. It encouraged consumers to learn anytime, anywhere and to follow their dreams and not let circumstances stop them from achieving their goals.

Brand Idea continues to be a hot favorite at national and international forums. It continues to collect accolades across categories and from panels comprising industry insiders as well as research experts.

STANDALONE FINANCIAL RESULTS

Revenues

Revenue from operations for the financial year ended March 31, 2015 stood at ₹ 312,795 Mn as compared to ₹ 261,795 Mn for financial year ended March 31, 2014, an increase of 19.5%, primarily due to 19.7% increase in service revenues. The growth in minutes of usage by 16.3% along with increase in the realised rate per minute and data revenue led to the increase in service revenues. Revenue Market Share of the Company increased from 16.2% in the previous year to 17.5% in the current year. Non-voice revenues grew by 60.8% led by a growth of 96.3% in Data revenues from ₹ 23,112 Mn in the previous year to ₹ 45,378 Mn in the current year and an increase in other non-voice revenues by 17.4% from ₹ 18,901 Mn in previous year to ₹ 22,181 Mn in the current year. Revenues from International Long Distance services net of inter segment eliminations, increased by 35.3% to ₹ 4,371 Mn.

Other Income comprising of Interest Income and Profit on Sale of Current Investments increased by 102.0% from ₹ 2,240 Mn in the previous year to ₹ 4,523 Mn in the current year. The increase is on account of increase in surplus funds available with the company primarily due to the equity raised during the year and cash profits generated by the company.

Operating Expenses

Total operating expenditure for the financial year ended March 31, 2015 increased by 14.4% to ₹ 216,061 Mn in the current year from ₹ 188,938 Mn incurred in the previous year, primarily reflecting the volume growth in the company’s operations.

Personnel Expenditure: Personnel Expenditure for the financial year ended March 31, 2015 increased by 17.0% to ₹ 13,587 Mn from ₹ 11,610 Mn incurred during the previous year, primarily as a result of annual increments, an increase in the average number of employees, and post-employment benefits. Our total number of employees increased to 10,875 as of March 31, 2015 from 10,505 as of March 31, 2014.

Network Expense and IT Outsourcing Cost: Network Expense and IT Outsourcing Cost for the financial year ended March 31, 2015 increased by 10.9% to ₹ 82,887 Mn from ₹ 74,745 Mn incurred during the previous year, primarily as a result of the expansion of our network coverage. Our total 2G and 3G cell sites increased to 112,367 and 30,291 cell sites as of March 31, 2015 from 104,778 and 21,381 cell sites as of March 31, 2014, respectively.

Licence Fees and Spectrum Usage Charges: Licence Fees and Spectrum Usage charges increased by 20.9% to ₹ 35,351 Mn for the current year from ₹ 29,238 Mn incurred during the previous year, corresponding to increase in revenue.

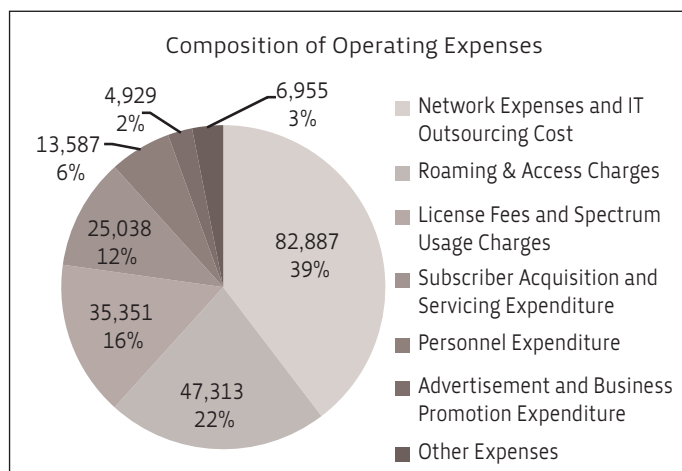
Roaming and Access Charges: Roaming and Access Charges increased by 13.7% to ₹ 47,313 Mn for the current year from ₹ 41,616 Mn incurred during the previous year, primarily as a result of an increase in data volume and total minutes of usage.

Subscriber Acquisition and Servicing Expenditure: Subscriber Acquisition and Servicing Expenditure, increased by 19.8% to ₹ 25,038 Mn for the current year from ₹ 20,906 Mn incurred during the previous year, primarily as a result of increase in gross subscriber additions.

Advertisement and Business Promotion Expenditure: Advertisement and Business Promotion Expenditure increased by 6.8% to ₹ 4,929 Mn for the current year from ₹ 4,617 Mn incurred during the previous year.

Administration and Other Expenses: Administration and Other Expenses increased by 12.1% to ₹ 6,955 Mn for the current financial year from ₹ 6,207 Mn incurred during the previous year, primarily due to an increase in Directors Commission and Donations.

The composition of total operating expenses (amount and %age to total operating expenses) is as follows:



Profit before Finance charges, Depreciation, Amortisation and Taxes (EBITDA)

The incremental revenue growth has resulted in an EBITDA increase of 34.8% from ₹ 75,096 Mn for the previous year to ₹ 101,257 Mn for the current year. EBITDA as a %age of Total Income increased to 31.9% compared to 28.4% for the previous year.

Depreciation, Amortisation and Interest & Finance Charges

Depreciation and Amortisation expenses increased by 18.6% to ₹ 48,550 Mn for the current year as against ₹ 40,932 Mn for the previous year, primarily due to gross block additions and revision in the estimated useful life of certain fixed assets. Interest and Finance Charges for the current year increased from ₹ 8,111 Mn to ₹ 9,317 Mn, largely due to higher interest cost under the deferred payment obligation towards Spectrum.

Profits and Taxes

For the year ended March 31, 2015, Profit before Tax increased by 66.5% and stood at ₹ 43,391 Mn, against ₹ 26,053 Mn for the previous year. Cash Profit increased by 23.5% over previous year and stood at ₹ 77,742 Mn.

The tax charge stood at ₹ 15,293 Mn. Net Profit for the current year was higher by 66.3% at ₹ 28,098 Mn.

Capital Expenditure

The Company successfully bid for 54 MHz spectrum in the 900 MHz band and 3.2 Mhz spectrum in the 1800 MHz band in the 9 service areas where licenses are due to expire during financial years 2016/ 2017 in the auctions held in March, 2015. Further, the company also won 17.2 MHz of 1800 Mhz spectrum in 4 services areas and 5 MHz of 2100 Mhz spectrum in Kolkata service area in the auction held in March, 2015. The total amount committed by the company for spectrum won in March, 2015 auctions is ₹ 301,375 Mn out of which ₹ 19,350 Mn has been paid before March 31, 2015 and included in Capital Advances.

Apart from the above, during the year under review, the Company incurred capital expenditure consisting mostly of network equipment (including capital advances) of ₹ 41,729 Mn.

Balance Sheet

During the current financial year, the paid-up equity share capital of the Company increased by ₹ 2,782 Mn, pursuant to issue of 275,719,137 equity shares under Qualified Institutional Placement (QIP) and Preferential Allotment of equity shares and issuance of 2,493,529 equity shares to the employees pursuant to exercise of stock options granted under Employee Stock Option Scheme, 2006 and Employee Stock Option Scheme, 2013. The reserves of the Company increased from ₹ 122,647 Mn to ₹ 182,923 Mn primarily due to current year's profits, premium on issue of shares under QIP, Preferential allotment, ESOS 2006 & ESOS 2013 which was partially offset by proposed dividend for the current financial year and dividend distribution tax on same. The total shareholders' funds stood at ₹ 218,901 Mn as at March 31, 2015.

Total loans outstanding as at March 31, 2015 were ₹ 258,754 Mn, an increase of ₹ 65,138 Mn, mainly due to the drawdown of ₹ 80,500 Mn term loans for possible spectrum auction requirements (95% of this amount forms part of current maturities of Long Term Debt, as the Company has decided to pre pay this in May, 2015). Deferred Tax liability as at March 31, 2015 stood at ₹ 16,091 Mn. Other Liabilities and Provisions increased from ₹ 75,113 Mn to ₹ 83,012 Mn.

The Gross Block and Net Block [including Capital Work in Progress (CWIP)] stood at ₹ 609,227 Mn and ₹ 371,934 Mn respectively as at March 31, 2015. As on March 31, 2015, Investment in subsidiaries stood at ₹ 16,466 Mn. Other assets increased from ₹ 49,429 Mn to ₹ 188,359 Mn majorly due to Investment in Units of Liquid Mutual Funds, Bank Deposits and upfront amount paid towards spectrum.

Cash Flow Statement

During the year under review, the Company generated ₹ 94,744 Mn from operating activities, ₹ 37,374 Mn from issue of equity share capital and ₹ 55,251 Mn net proceeds from borrowings which was primarily used for capital expenditure ₹ 57,780 Mn (including payment towards spectrum ₹ 19,350 Mn) and payment of interest and finance charges ₹ 5,499 Mn. Consequently cash and cash equivalents as on March 31, 2015 increased by ₹ 126,133 Mn and stood at ₹ 127,041 Mn.

CONSOLIDATED FINANCIAL RESULTS

Revenues

Revenue from operations for the financial year ended March 31, 2015 stood at ₹ 315,709 Mn as compared to ₹ 265,189 Mn for financial year ended March 31, 2014, an increase of 19.1%, primarily due to 19.6% increase in service revenues. The increase in the mobility and ILD service revenue of the company as explained in the standalone results section above along with increase in revenue from Passive Infrastructure services by 5.8% to ₹ 1,192 Mn. led to the increase in service revenues. Sale of Trading Goods decreased by 23.6% from ₹ 2,248 Mn in the previous year to ₹ 1,717 Mn in the current year, primarily due to reduction in number of data cards and handsets sold during the year.

Other Income comprising of Interest Income and Profit on Sale of Current Investments increased by 107.1% from ₹ 2,268 Mn in the previous year to ₹ 4,697 Mn in the current year. The increase is on account of increase in surplus funds available with the company primarily due to the equity raised during the year and cash profits generated by the company.

Operating Expenses

Total operating expenditure for the financial year ended March 31, 2015 increased by 13.9% to ₹ 207,592 Mn in the current year from ₹ 182,269 Mn incurred in the previous year, primarily as a result of growth in the company's operations. Operational efficiencies have reduced the total operating expenses as a percentage of revenue from 68.1% in the previous year to 64.8% during the year under review.

Cost of Trading Goods: Cost of Trading Goods decreased by 24.7% to ₹ 1,452 Mn in the current year from ₹ 1,927 Mn incurred in the previous year primarily due to reduction in the number of data cards and handsets sold during the year.

Personnel Expenditure: Personnel Expenditure for the financial year ended March 31, 2015 increased by 16.6% to ₹ 15,299 Mn from ₹ 13,121 Mn incurred during the previous year, primarily as a result of annual increments, an increase in the average number of employees and increase in post-employment benefits. Our total number of employees (excluding employees of Indus Towers Limited) increased to 15,470 as of March 31, 2015 from 14,988 as of March 31, 2014.

Network Expense and IT Outsourcing Cost: Network Expense and IT Outsourcing Cost for the financial year ended March 31, 2015 increased by 10.7% to ₹ 71,957 Mn from ₹ 64,990 Mn incurred during the previous year, primarily as a result of the expansion of our network coverage and expenses incurred by subsidiaries and Joint Venture on additional sites.

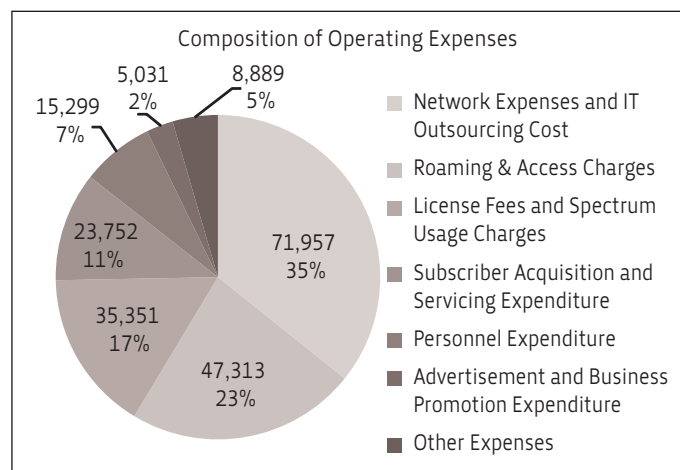
Licence Fees and Spectrum Usage Charges & Roaming and Access Charges: The increase in these expenses pertains only to the company covered above under the section on Standalone Financial Results.

Subscriber Acquisition and Servicing Expenditure: Subscriber Acquisition and Servicing Expenditure, increased by 19.9% to ₹ 23,752 Mn for the current year from ₹ 19,807 Mn incurred during the previous year, primarily as a result of increase in gross subscriber additions.

Advertisement and Business Promotion Expenditure: Advertisement and Business Promotion Expenditure increased by 3.4% to ₹ 5,031 Mn for the current year from ₹ 4,867 Mn incurred during the previous year.

Administration and Other Expenses: Administration and Other Expenses increased by 11.0% to ₹ 7,438 Mn for the current year from ₹ 6,703 Mn incurred during the previous year, primarily due to an increase in Directors Commission and Donations.

The composition of total operating expenses (amount and %age to total operating expenses) is as follows:



Profit before Finance charges, Depreciation, Amortisation and Taxes

The incremental revenue growth has resulted in an EBITDA increase of 32.4% from ₹ 85,189 Mn for the previous year to ₹ 112,813 Mn for the current year. EBITDA as a percentage of Total Income increased to 35.2% compared to 31.9% for the previous year.

Depreciation, Amortisation and Finance Charges

Depreciation and Amortisation expenses increased by 17.4% to ₹ 53,036 Mn for the current year as against ₹ 45,194 Mn for the previous year, primarily due to gross block additions and revision in the estimated useful life of certain fixed assets. Interest and Finance Charges for the current year increased from ₹ 9,552 Mn to ₹ 10,452 Mn, largely due to higher interest cost on deferred payment obligation towards Spectrum.

Profits and Taxes

For the year ended March 31, 2015, Profit before Tax increased by 62.0% and stood at ₹ 49,325 Mn, against ₹ 30,443 Mn for the previous year. Cash Profit increased by 22.4% over previous year and stood at ₹ 86,161 Mn.

The tax charge for the year stood at ₹ 17,396 Mn. Net Profit for the current year was higher by 62.3% at ₹ 31,929 Mn.

Capital Expenditure

In addition to the spectrum acquired in auctions relating to Idea Cellular Limited as covered above under standalone financial results, during the year under review the capital expenditure (including capital advances) incurred was ₹ 45,785 Mn.

Balance Sheet

During the current financial year, the paid-up equity share capital of the Company increased by ₹ 2,782 Mn, pursuant to issue of equity shares as mentioned above in the section for standalone financial results. The reserves increased from ₹ 132,054 Mn to ₹ 194,295 Mn, primarily due to current year's profits and premium on issue of shares partially offset by proposed dividend

for the current financial year, dividend distribution tax on same and dividend distribution tax paid by Indus. The total shareholders' funds stood at ₹ 230,273 Mn as at March 31, 2015.

Total loans outstanding as at March 31, 2015 were ₹ 268,591 Mn, an increase of ₹ 62,242 Mn, mainly due to the drawdown of ₹ 80,500 Mn. term loans by the company as mentioned above under the section on standalone financial results. Deferred Tax liability as at March 31, 2015 stood at ₹ 19,015 Mn. Other Liabilities and Provisions increased from ₹ 75,823 Mn to ₹ 86,770 Mn.

The Gross Block and Net Block [including Capital Work in Progress (CWIP)] stood at ₹ 669,612 Mn and ₹ 406,741 Mn respectively as at March 31, 2015. Other Assets increased from ₹ 55,422 Mn to ₹ 197,927 Mn. majorly due to Investment in Units of Liquid Mutual Funds, Bank Deposits and upfront amount paid towards spectrum.

Cash Flow Statement

During the year under review, the Group generated ₹ 104,179 Mn from operating activities, ₹ 37,374 Mn from issue of equity share capital and ₹ 52,355 Mn from net proceeds from borrowings, which was primarily used for capital expenditure ₹ 61,628 Mn (including payment towards spectrum ₹ 19,350 Mn) and payment of interest and finance charges ₹ 6,656 Mn. Consequently cash and cash equivalents as on March 31, 2015 increased by ₹ 127,202 Mn and stood at ₹ 130,745 Mn.

Human Resources

The human resource philosophy and strategy of your Company is to attract and retain the best talent, encourage innovation, create an engaging and motivating workplace environment and be an employer of choice. This was reflected by external recognition through the "HR Excellence Award" given for best practices in Talent Acquisition, presented at the Economic Times HR Excellence Summit 2014. In the previous financial year, your Company had also shown an improvement in already high employee engagement scores overall, and significant improvement in areas like training and development and on boarding.

Keeping in view the long term business goals, your company has ensured that the Human Resources strategy is inline and complementary to the business strategy. Your company will focus on succession planning, building capability in digital space and analytics, and ensuring continued high employee engagement along with effective and efficient talent development and deployment. This strategy has strong alignment with your Company's vision to successfully build and sustain your Company's standing as one of India's most admired and valuable corporations despite unrelenting competitive pressures.

Risk Management

The Risk Management framework of your company ensures regular review by management to proactively identify the emerging risks, to do risk evaluation and risk prioritization along

with development of risk mitigation plans and action taken to minimize the impact of the risk. The framework requires that the Risk Management Committee be periodically informed about risk minimization procedures adopted by your Company. These processes are also periodically reviewed by management. The various risks, including the risks related to the economy, regulation, competition, technology etc., are documented, monitored and managed efficiently.

Internal Control Systems

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The internal controls cover operations, financial reporting, compliance with applicable laws and regulations, safeguarding assets from unauthorised use and ensure compliance of corporate policies. Internal controls are reviewed periodically by the internal auditors, and are subject to management reviews with significant audit observations and follow up actions reported to the Audit Committee. The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them in accordance with the changes in the business dynamics, if required.

Regulatory

Major regulatory developments for the period are:

1. TRAI Direction for obtaining explicit consent of consumers for provisioning non-subscription based Value Added Service products embedded in SIM Application Tool Kit (STK) of SIM card (November 14, 2014)

The TRAI mandated all telecom service providers to ensure within sixty days (i.e. by January 13, 2015) that the Value Added Services for products embedded in the SIM card be offered to the consumer only after obtaining explicit consent of the consumer.

The Company has already complied with this Directive that has a negative impact on Revenues. However, implementation of this Directive would help in reducing customer issues regarding activation of VAS services without explicit consent.

2. License Amendment regarding Full Mobile Number Portability (November 3, 2014)

The DoT has instructed all Telecom Service Providers to implement the facility of Full Mobile Number Portability in the country. Further, "the Recipient Operator shall forward the porting request for intra as well as inter Licensed Service Area portability to MNP licensee of the zone to which number range holder of the number (subscriber number under porting) belongs. Number range holder of the number means the Access Service provider to whom the numbering range has been allocated by DoT."

The implementation of Full MNP had to be done in 6 months' time from the date of issuance of these instructions i.e. by May 3, 2015. The Company has implemented the same.

3. Telecommunication Interconnection Usage Charges Regulations, 2015 (February 24 & 25, 2015)

The TRAI recently issued the “Telecommunication Interconnection Usage Charges (Eleventh Amendment) Regulations, 2015 (1 of 2015)” which prescribe revised:

- Domestic Termination Charges -Mobile Termination Charges (MTC) and Fixed Termination Charges (FTC)
- International Termination Charges

Following termination charges have been made applicable for Local, National Long Distance and International Long Distance Calls effective from March 1, 2015:

Revised Interconnection Usage Charges		
Type of Call	Type of Traffic	Termination Charge
Local and National Long Distance Call	Wireless to Wireless (MTC)	₹ 0.14 (Paise Fourteen Only) per Minute
	Wireless to Wireline (FTC)	0 (Zero)
	Wireline to Wireline (FTC)	0 (Zero)
International Call	Wireline to Wireless (MTC)	0 (Zero)
	International Incoming Call to Wireless and Wireline	₹ 0.53 (Paise Fifty Three Only) per Minute

Thus:

- MTC for all calls originating from Wireless Network has been reduced from 20 paise per minute to 14 paise per minute (Wireless means Full Mobility, limited mobility and fixed wireless access).
- MTC for all calls originating from Wireline has been set to “Zero”.
- FTC for all call originating either from Wireline network or from wireless network has been set to “Zero”.
- Termination Charge for International Incoming Calls has been increased to 53 paise per minute from existing 40 paise per minute.

Further, the “Telecommunication Interconnection Usage Charges (Twelfth Amendment) Regulations, 2015 (2 of 2015)” was released on February 25, 2015 as under:

- The said Regulation prescribes a revised ceiling of 35 paise per minute for domestic carriage charge from the earlier ceiling of 65 paise per minute.
- The TRAI proposes to carry out another review after 2 years (during 2017-18).
- The current Regulation has also briefly touched upon the issue of Transit Carriage Charge being levied on TSPs for intra-LSA mobile traffic being handed over at the

Level-II TAX in the fixed line network of BSNL without prescribing any charges at the present moment.

Your Company has accordingly implemented the changes in its billing system.

4. TRAI amendment to the Quality of Service (QoS) of Broadband Service Regulations - (June 25, 2014)

The TRAI has increased the minimum speed of the internet connection that is able to support interactive services including Internet Access and has the capability of the minimum download speed of 512 kbps to an individual subscriber from the point of presence (POP) of the service provider intending to provide Broadband Service, will only qualify as “Broadband Connection”. The revised definition now overrides the previously defined minimum download speed of 256 kbps.

5. The TRAI issued the TTO (Sixtieth Amendment) Order, 2015 (April 9, 2015)

The revised ceilings for roaming tariffs are as follows:

Type of Service	Basis of Charge	Existing Ceiling Tariffs prescribed through the 55th TTO dated June 17, 2013	Final Ceiling Tariffs mandated vide 60th TTO dated April 9, 2015
Outgoing Local Voice calls	₹ Per Minute	1.00	0.80
Outgoing Long Distance (Inter-Circle) Voice calls	₹ Per Minute	1.50	1.15
Incoming Voice Calls	₹ Per Minute	0.75	0.45
Outgoing Local SMS	₹ Per SMS	1.00	0.25
Outgoing Long Distance (Inter Circle) SMS	₹ Per SMS	1.50	0.38

- The TRAI has also mandated the TSPs to offer a Special Roaming Tariff Plan to its pre-paid and post-paid subscribers in which incoming voice calls while on national roaming shall be free, on payment of fixed charge, if any.
- The changes come into effect from May 1, 2015.

Opportunities, Risks, Concerns and Threats

The wireless data subscriber penetration in India is still at around 26%. The wireless broadband services (3G) were commercially launched in India around 4 years back and wireless broadband subscribers penetration is still at 8.6% only. The ‘Digital India’ drive, data network expansion by strong operators and developments towards 4G LTE technology will certainly change the data growth outlook as envisaged today. Further, less than 50% penetration in rural India indicates the growth opportunity for the voice business going forward. The large wireless operators, including Idea, in last two spectrum auctions of

February, 2014 and March, 2015 have already expanded their data spectrum profile as well as renewed some of their licenses for a period of next 20 years and are getting ready to participate in the Voice and Data growth opportunities offered by the sector.

The auctions have resulted in large spectrum commitments, adversely impacting the financial health of the most operators. However, this also acts as a barrier for entry of any new operator in the sector. Also, high spectrum cost has forced some operators to become selective in renewing their spectrum and the exit from some of the service areas. Some of these operators would also need to take a decision on continuing their current operations, whenever their licenses are coming for renewal in the coming years. This should lead towards consolidation of the Industry. However, competition in the Indian telecommunications industry is still very intense. There may be irrational competition in the sector by new/existing players in future, which may have adverse impact on the Industry health going forward. Further, with the proliferation of number of OTT operators, the risk of voice revenue cannibalization through data remains a large risk for the sector. But, as in past whenever the Industry has witnessed large periods of irrational competition, your Company has emerged competitively stronger. Your company has expanded its spectrum profile covering more than 87% of revenues with either 3G or 4G spectrum as well as planning to launch its own range of 'Digital Services'. Your company is confident of consolidating its position in case the sector again faces hyper-competitive phase.

Your company has successfully renewed spectrum for the nine licenses which are due to expire in December, 2015 /April, 2016, in March, 2015 spectrum auction. Your company now holds liberalized spectrum which is currently used to offer GSM services, in 16 out of 22 service areas, which is highest in the Industry. The remaining six licenses with spectrum in 1800 MHz band are due for extension between FY 2022 to FY 2027. The Company runs a risk of extension at unfavorable terms and higher debt burden.

The regulatory environment continues to remain uncertain and negative for the industry at large. Some of the recent changes in regulations like reduction in IUC charges and reduction in roaming charges cap are adversely impacting the revenue of the sector. Industry, which is more than 2 decades old now, is still awaiting for the road map towards spectrum availability going forward, which is the key component in deciding the strategy for any operator. The Spectrum trading and sharing policy is also being long awaited.

The telecom sector is characterized by technological changes and competition from new technologies is an inherent threat. However, till date, the Indian telecom sector has not faced any disruptive phase arising out of any technological changes. Your

Company, with an assortment of spectrum in 900/1800/2100 MHz has an attractive spectrum footprint to adapt to any future technological changes. Your company is closely watching the development on the 4G LTE front and gearing itself to offer 4G services in the near future.

Your Company has several ongoing litigations and any adverse determination of these remains a risk. Your Company believes in sound Corporate Governance Practices and believes that these litigations would be settled in due course in the best interest of all stakeholders. Your Company works with various local, state and central government agencies for specific permissions to operate its mobile licenses and is required to meet various regulatory/policy guidelines of the DoT and may be subjected to penalties/fines or increased cost of compliance. Your Company takes best effort to adhere to all such requirements.

The Company's business is dependent on key Network and IT equipment suppliers for management and continuity of its Network, IT and business processes. Further, these networks may be vulnerable to technical failures or any natural calamity. Your Company is in partnership with global leaders in Network equipment and IT services and enjoys very long standing healthy relations with all its suppliers. The Company has a robust network & IT security processes and disaster recovery plans.

Outlook

In past few years, your Company has consolidated its position from No. 3 operator in India to one among the top 3 operators in India. During the Financial Year 2014-15, your Company has gained more than 33.7% of incremental subscriber market share and close to 29.7% revenue market share. Your company has further improved its data spectrum (3G and 4G) profile with acquisition of 4G spectrum in the service areas of Tamil Nadu and Odisha as well as 3G spectrum in Kolkata service areas. The Broadband spectrum profile (3G or 4G) of your company now covers over 87% of its revenue. The spectrum renewal risk has been taken care by securing 900 MHz spectrum in all 9 service areas which were due to expire in December, 2015/April, 2016.

Your company is preparing itself for the next leg of the growth which appears to be led by data. The company has clearly defined plans to cater the need of data consumers by offering 4G services starting from Calendar year 2016, in a phased manner, in addition to aggressively expansion of own 3G network coverage. Your company is also working to offer its own 'Digital Services' related to information, entertainment, communication, utilities and API. The strong brand pull coupled with the improving cash flows and strong spectrum portfolio provides enough confidence to your company to remain on the path of profitable growth going forward.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may constitute a "forward-looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets in which the Company operates, changes in the Government Regulations, tax laws and other statutes and other incidental factors.

Corporate Governance Report

Company's Philosophy on Corporate Governance

Corporate Governance involves commitment to conduct the business in a fair, transparent and ethical manner, aimed at promoting sustainable business and enhancing shareholders' value in the long term. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability across all business practices. We believe that Corporate Governance is a continuous journey for sustainable value creation for all the stakeholders driven by our values of Integrity, Commitment, Passion, Seamlessness and Speed.

The Aditya Birla Group has been one of the frontrunners in India to adopt and implement best governance practices. Our governance practices are a product of self desire, reflecting the culture of trusteeship that is deeply ingrained in our value system and reflected in our strategic thought process.

Our governance philosophy rests on five basic tenets:

- Board accountability to the Company and shareholders
- Strategic guidance and effective monitoring by the Board
- Protection of minority interests and rights
- Equitable treatment of all shareholders
- Superior transparency and timely disclosure

In line with this philosophy, **Idea Cellular Limited**, an Aditya Birla Group Company, continuously strives for excellence through adoption of best governance and disclosure practices. Corporate Governance has always been intrinsic to the management of the business and affairs of our Company. We believe that good governance practices stem from the culture and mindset of the organisation. We at Idea are committed in fostering and sustaining a culture that integrates all components of good governance and demonstrates highest standard of ethical and responsible business conduct.

Your Company confirms the compliance of Corporate Governance as contained in Clause 49 of the Listing Agreement, the details of which for the financial year ended March 31, 2015 are as follows:

1. BOARD OF DIRECTORS

An active, informed and independent Board is a prerequisite for strong and effective corporate governance. The Board plays a crucial role in overseeing how the management safeguards the interests of all the stakeholders. The Board ensures that the Company has clear goals aligned to the shareholder value and growth. The Board critically evaluates

strategic direction of the Company and exercises appropriate control to ensure that the business of the Company is conducted in the best interests of the shareholders and society at large. The Board is duly supported by the Managing Director and Senior Management Personnel in ensuring effective functioning of the Company.

Composition of the Board

The Company has a balanced and diverse board with optimum mix of Executive and Non-Executive Directors which includes independent professionals and confirms to the provisions of the Companies Act, 2013 and Listing Agreement. As on the date of this report, the Board comprises of twelve members comprising of a Non-Executive Chairman, a Managing Director, Seven Independent Directors and three Non- Executive Directors. The present strength of the Board reflects the judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company. The positions of Chairman and Managing Director are held by different individuals where the Chairman of the Board is a Non-Executive Director.

The members of our Board comprises of eminent professionals from diversified background having rich and varied expertise in the areas of technology, banking, telecommunication, general management and entrepreneurship. The Board periodically evaluates the need for change in its size and composition to ensure that it remains aligned with statutory and business requirements.

None of the Director is a Director on the board of more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors is a Member of more than ten Committees or Chairman of more than five Committees, across all the Companies in which he / she is a Director. Except Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla, who are related to each other as son and mother, no other directors are related to each other.

The Company has issued the formal letter of appointment to all the Independent Directors as prescribed under the provisions of the Companies Act, 2013 and the terms and conditions of their appointment has been uploaded on the website of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as specified under Section 149 (6) of the Companies Act, 2013 and they are qualified to act as Independent Directors.

The Composition of the Board of Directors as on March 31, 2015 and the number of Directorships and committee positions held by them are as under:

Name of Director	Category	No. of outside Directorship(s) held ¹	Outside Committee Positions Held ²	
		Public	Member	Chairman/Chairperson
Mr. Kumar Mangalam Birla	Non-Executive	8	-	-
Mrs. Rajashree Birla	Non-Executive	5	-	-
Dr. Rakesh Jain ³	Non-Executive	4	1	-
Mr. Biswajit A. Subramanian ⁴	Non-Executive	3	-	-
Dr. Shridhir Sariputta Hansa Wijayasuriya	Non-Executive	-	-	-
Mr. Sanjeev Aga	Non-Executive	6	6	-
Mr. Arun Thiagarajan	Independent	3	3	-
Mr. Gian Prakash Gupta	Independent	4	4	-
Mr. Mohan Gyani	Independent	-	-	-
Ms. Tarjani Vakil	Independent	8	3	4
Mr. R.C. Bhargava	Independent	7	4	4
Mr. P. Murari	Independent	7	4	2
Mrs. Madhabi Puri Buch	Independent	2	-	-
Mr. Himanshu Kapania	Managing Director	6	1	-

1. Directorships held by the Directors as mentioned above, excludes directorships held in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.
2. Represents Membership/Chairmanship of two Committees viz. Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies.
3. Dr. Rakesh Jain ceased to be Director with effect from December 15, 2014.
4. Mr. Biswajit Subramanian ceased to be Director with effect from October 20, 2014.

Board Meetings and Procedure

The annual calendar of meetings is broadly determined at the beginning of each year. The Board meets atleast once in a quarter to review the quarterly financial results and operations of the Company. Apart from the above, additional Board Meetings are convened to address the specific needs of the Company. In case of urgent business exigencies some resolutions are also passed by circulation, as permitted by law, which is confirmed in the subsequent Board Meeting. Time gap between two consecutive meetings does not exceed 120 days. Video Conferencing / teleconferencing facilities are also made available to enable participation of Directors, in case they are unable to attend the meeting physically.

There is a structured manner in which the agenda items are prepared and presented. The Company Secretary in consultation with the Chairman and the Managing Director prepares the detailed agenda for the meetings. All the agenda items are backed by comprehensive agenda notes and relevant supporting papers containing all the vital information, so as to enable the Directors to have focused

discussion at the meeting and to take informed decisions. The agenda and agenda notes are circulated to all the Directors well in advance. In case of sensitive agenda matters, where it is not practical to circulate the relevant information as part of the agenda papers, the same is tabled at the meeting. In special and exceptional circumstances, additional or supplementary agenda items are taken-up for discussion with the permission of the Chairman. The members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to exercising their right to bring up matters for discussion at the meeting with permission of the Chairman.

The Chief Financial Officer and other Senior Management Personnel are invited to the Board/Committee Meetings to apprise and update the members on the items being discussed at the meeting. All the relevant information as enumerated in Annexure X to Clause 49 of the Listing Agreement is placed before the Board and in particular reviews and approves corporate strategies, business plan, annual budget, capital expenditure etc. The Board periodically reviews the compliance status of all the

applicable laws and is regularly updated on various legal and regulatory developments involving the Company. Action Taken Report in respect of the decisions arising out of the previous meetings is placed at the succeeding meeting of the Board/Committee. The Members of the Board have complete freedom to express their opinion and have unfettered and complete access to information in the Company. All the decisions are taken after detailed deliberations by the Board Members at the meetings. The draft minutes of each Board/Committee meetings are circulated to all Directors for their comments, before being recorded in the minutes book. The Company Secretary records the minutes of each Board/Committee meeting. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments promptly.

During the financial year 2014-15, the Board met seven times i.e. on April 8, 2014, April 28, 2014, July 21, 2014, September 30, 2014, October 20, 2014, January 12, 2015 and January 27, 2015. The intervening gap between two board meetings did not exceed 120 days.

The details of attendance of Directors at the Board Meetings and at the Last Annual General Meeting are as under:

Name of Director	No. of Board Meetings Attended held during the tenure Last AGM		
	Held	Attended	(Yes/No)
Mr. Kumar Mangalam Birla	7	5	Yes
Mrs. Rajashree Birla	7	4	No
Dr. Rakesh Jain ¹	5	2	No
Mr. Biswajit A. Subramanian ²	5	1	No
Dr. Shridhir Sariputta Hansa Wijayasuriya	7	5	No
Mr. Arun Thiagarajan	7	6	No
Mr. Gian Prakash Gupta ³	7	3	No
Mr. Mohan Gyani	7	4	No
Ms. Tarjani Vakil	7	7	Yes
Mr. R.C. Bhargava	7	7	Yes
Mr. P. Murari	7	4	No
Mr. Sanjeev Aga	7	5	No
Mr. Himanshu Kapania	7	7	Yes
Mrs. Madhabi Puri Buch	7	5	No

1. Dr. Rakesh Jain ceased to be director with effect from December 15, 2014.

2. Mr. Biswajit Subramanian ceased to be director with effect from October 20, 2014.

3. Due to unavoidable circumstances Mr. Gian Prakash Gupta could not attend the Annual General Meeting (AGM) of the Company held on September 26, 2014. However Ms. Tarjani Vakil, member of Audit Committee attended the said AGM.

Induction and Familiarization program for Board Members

At the time of appointment, a formal letter of appointment is issued to the concerned Director stating out their role, functions, duties and responsibilities as a Director of the Company. The Board members are also provided with necessary documents, reports, presentations, policies etc. to enable them to familiarize with the Company's procedures and practices. Apart from the above, periodic presentations are made at the Board / Committee meetings to familiarize the Directors with the Company's strategy, business performance, business environment, regulatory framework, operations review, risk management and other related matters. The Board also interacts with senior leadership team of the Company which helps them in good understanding of the Company, service offerings and its various operations.

The details of familiarization programme for Independent Directors are posted on the website of the Company viz. www.ideacellular.com.

Meeting of Independent Directors

During the year, a separate meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board. Mr. Arun Thiagarajan, Independent Director presented the views of Independent Directors relating to Board processes etc. to the Board.

Performance Evaluation of Board

In compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the Board, Committees and individual directors.

Performance of the Board and Committees were evaluated on various parameters such as structure and composition, effectiveness of Board processes, and quality of decision making etc. Performance of individual directors was evaluated on parameters such as, preparedness on the issues to be discussed, external expertise and independent judgement and constructive contribution and inputs in meetings. The Directors expressed their satisfaction with the evaluation process.

Code of Conduct

The Board of Directors have laid down the Code of Conduct for all the Board Members (incorporating, inter-alia, duties of Independent Directors) and Senior Management Personnel of the Company, which is also uploaded on the website of the Company www.ideacellular.com. The Code is derived

from three inter-linked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct. All Board Members and Senior Management Personnel have affirmed compliance to the Code of Conduct. A declaration signed by the Managing Director affirming the compliance with the Code of Conduct by the Board Members and Senior Management Personnel of the Company for the financial year March 31, 2015 is attached and forms part of this Report.

2. COMMITTEES OF THE BOARD

The Board Committees play a vital role in improving Board effectiveness in areas where more focused and extensive discussions are required. Some of the Board functions are performed through specially constituted Board Committees comprising of Executive and Non-Executive / Independent Directors. The Board's Committees include Audit Committee, Stakeholders' Relationship Committee (Formerly Shareholders'/Investors' Grievance Committee), Nomination and Remuneration Committee (Formerly Remuneration Committee), Finance Committee, CSR Committee, Risk Management Committee and Securities Allotment Committee. All the Committees have formally established terms of reference / charter. The Minutes of the Committee Meetings are noted by the Board.

The role and composition of the aforesaid Committees, including the number of meetings held and the related attendance of the members are given below:

A. Audit Committee

The Company has an Audit Committee at the Board level with power and role that are in accordance with Clause 49 of the Listing Agreement and the Companies Act, 2013. The Audit Committee oversees the accounting, auditing and overall financial reporting process of the Company. The Audit Committee acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Powers of Audit Committee

The powers of Audit Committee include the following:

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice;
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary;

- v. To call for a separate meeting with statutory and internal auditors with or without the Management team;
- vi. To call for a separate meeting with the MD/CEO and, as appropriate, other members of the management team to get an independent feedback and also to give feedback received from the auditors;
- vii. Appoint any external firm to conduct special reviews of the Company (financial or legal) subject to the approval of the Board;
- viii. Perform other activities related to this Charter as requested by the Board of Directors and
- ix. Carry out additional functions as contained in the listing agreement or other regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee.

Terms of reference

The broad terms of reference of Audit Committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue,

rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. To review:

- a. Management Discussion and Analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the Statutory Auditors, if any;
- d. Internal audit reports relating to internal control weaknesses and
- e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

In addition to reviewing financial results on quarterly basis, Audit Committee Meetings are also convened for reviewing Internal Audit reports pertaining to various functions. The Company has appropriate internal control systems for business processes, covering operations, financial reporting and compliance with applicable laws and regulations. Regular internal audits and management reviews ensure that the responsibilities are executed effectively. The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them, as appropriate.

The Committee also oversees the performance of the internal and statutory auditors and also recommends their appointment and remuneration to the Board. The minutes of the Audit Committee Meetings forms part of the Board Agenda. The Chairman of the Audit Committee Meeting briefs the Board on the discussions held during Audit Committee Meeting.

Composition, Meetings and Attendance

The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. As on March 31, 2015, the Audit Committee comprises of four members, of which three members, including the Chairman, are Independent Directors and one Member is a Non-Executive Director. The majority of the Audit Committee members possess accounting and financial management expertise. The Company Secretary acts as the Secretary to the Committee.

The Managing Director and the Chief Financial Officer of the Company are permanent invitees to the Audit Committee Meeting. Representatives of the Statutory Auditors and Internal Auditors of the Company are also invited to the Audit Committee Meetings. In addition, other Senior Management Personnel are also invited to the Committee Meetings to present reports on the respective functions that are discussed at the meetings from time to time. The Cost Auditors attend the meeting when Cost Audit Report is discussed.

During the financial year 2014-15, seven meetings of the Audit Committee were held on April 28, 2014, July 7, 2014, July 21, 2014, October 20, 2014, January 12, 2015, January 27, 2015 and March 31, 2015.

The composition of the Audit Committee and the attendance of the members at the meetings held during the year are as under:

Name of Director	Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Gian Prakash Gupta* (Chairman)	Independent	7	3
Mr. Arun Thiagarajan	Independent	7	7
Ms. Tarjani Vakil	Independent	7	7
Dr. Shridhir Sariputta Hansa Wijayasuriya	Non-Executive	7	3

Due to unavoidable circumstances, Mr. Gian Prakash Gupta, Chairman of the Audit Committee was not able to attend few of the Committee meetings and accordingly, such meetings were chaired by other Independent Directors for effectively discharging the role of the Committee.

All the recommendations made by the Audit Committee were accepted by the Board. During the year under review, Audit Committee met separately with the Statutory Auditors to get their inputs on important matters relating to their areas of audit.

B. Nomination and Remuneration Committee

In compliance with provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has renamed the Remuneration Committee to Nomination and Remuneration Committee with effect from October 20, 2014. Additionally, the ESOS Compensation Committee, constituted by the Board for formulating and implementing Employee Stock Option Scheme(s) as well as to supervise and monitor the process of issuance/grant/ vesting/ of stock options was also merged with Nomination and Remuneration Committee with effect from October 20, 2014.

The Nomination and Remuneration Committee has been entrusted with role of formulating criteria for determining the qualifications, positive attributes and independence of the Directors as well as identifying persons who may be appointed at senior management levels and also devising a policy on remuneration of Directors, Key Managerial Personnel and other senior employees. The Committee also monitors and administer the Employee Stock Option Scheme(s).

Terms of reference

The broad terms of reference of Nomination and Remuneration Committee includes the following:

1. to take all appropriate/ necessary steps, decisions required in connection with managerial remuneration;
2. to delegate all or any of the power hereby conferred to it;
3. to settle any question, matter or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered necessary by the aforesaid committee to be in the best interest of the Company;
4. to supervise and monitor the process of issuance/ grant/ vesting/ cancellation of ESOPs and such other instruments as may be decided to be granted to the employees of the Company/ Holding Company/ Subsidiary Company, from time to time, as per the provisions of the applicable laws, more particularly in terms of Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchases Scheme) Guidelines, 1999.
5. to perform such other acts, deeds, things and powers as may be delegated to the Committee by the Board from time to time; and
6. to do for and on behalf of the Board all acts, deeds and things which may be necessary for effective implementation of the foregoing resolutions.

Composition, Meetings and Attendance of Nomination and Remuneration Committee

The composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee comprises of four Non-Executive Directors, majority of whom including the Chairman are Independent Directors. The Company Secretary acts as a secretary to the Committee.

The composition of the Nomination and Remuneration Committee and the attendance of the members at the meetings held during the financial year 2014-15 are as under:

Name of Director	Category	No. of Meetings held during the tenure	No. of Meetings attended
Ms. Tarjani Vakil (Chairperson)	Independent	4	4
Mr. Arun Thiagarajan	Independent	4	4
Mr. Gian Prakash Gupta*	Independent	3	2
Mr. Kumar Mangalam Birla#	Non-Executive	3	-

@ Not a member of erstwhile ESOS Compensation Committee.

Not a member of erstwhile Remuneration Committee.

During the financial year 2014-15, two meetings of the Nomination and Remuneration Committee were held on January 27, 2015 and on March 31, 2015. Further one meeting of erstwhile Remuneration Committee was held on October 20, 2014. Additionally, one meeting of the ESOS Compensation Committee was held on April 28, 2014.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy on remuneration of Directors and Senior Management Employees. The remuneration policy has been disclosed in the Annual Report.

Remuneration of Directors

(i) Remuneration to the Managing Director

The remuneration package of the Managing Director is determined by the Nomination and Remuneration Committee (Formerly Remuneration Committee). The recommendations of the Committee are considered and approved by the Board, subject to the approval of the members of the Company. The remuneration package of the Managing Director comprises of a fixed salary component and a performance linked bonus. A fair portion of the remuneration of the Managing Director is linked to the Company's performance, thereby creating a strong alignment of interest with shareholders.

Details of the Managerial Remuneration paid to the Managing Director during Financial Year 2014-15 is as under:

Executive Director	Relationship with other Directors	Business relationship with the Company, if any	Remuneration during 2014-15			
			All elements of remuneration package i.e. salary, allowances and other benefits etc.	Fixed component & performance linked incentives, along with performance criteria	Service Contract, notice period, severance fee	Stock Option details, if any
Mr. Himanshu Kapania	None	Managing Director	₹ 47.68 Mn	₹ 40.12 Mn See Note(a)	See Note(b)	See Note(c)

- (a) *Mr. Himanshu Kapania was paid a sum of ₹ 40.12 Mn towards performance incentive, linked to achievement of targets over and above ₹ 47.68 Mn paid as remuneration. The remuneration paid to Mr. Himanshu Kapania for financial year 2014-15, is as per the terms approved by the members at the Extra-ordinary General Meeting held on December 26, 2013. The Performance Linked Incentive (PLI) is disclosed on actual pay-out basis.*
- (b) *The term of appointment of Mr. Himanshu Kapania ends on March 31, 2016. The appointment is subject to termination by three months notice on either side. No severance fees is payable to the Managing Director. The Board has approved re-appointment Mr. Kapania as the Managing Director of the Company for a further period of 5 years with effect from April 1, 2016, subject to the approval of the members.*
- (c) *In terms of your Company's Employee Stock Option Scheme, 2006 (ESOS-2006), Mr. Himanshu Kapania has been granted 267,500 stock options (Tranche I) on December 31, 2007, exercisable at an exercise price of ₹ 39.30 per option and 66,875 stock options (Tranche II) on July 24, 2008, exercisable at an exercise price of ₹ 45.55 per option. Each Option is convertible into one equity share of the Company upon vesting. These Options vest in 4 equal annual installments after one year of the grant and are exercisable within a period of 5 years from the date of vesting. Mr. Himanshu Kapania has exercised all the stock options under ESOS-2006.*

Further, in terms of Employee Stock Option Scheme, 2013 (ESOS-2013), Mr. Himanshu Kapania has been granted 1,893,740 stock options (Options) exercisable at an exercise price of ₹ 126.45 per Option and 533,333 Restricted Stock Units (RSU) exercisable at an exercise price of ₹ 10/- per RSU on February 11, 2014. Each Option and each RSU when exercised is convertible into one equity share of the Company. These Options would vest in 4 equal annual installments after one year of the grant and the RSUs will vest after 3 years from the date of grant. The Options and RSUs shall be exercisable within a period of 5 years from the date of vesting. During FY 2014-15, Mr. Kapania has not exercised any options under ESOS-2013.

(ii) Remuneration to Non-Executive/Independent Directors

Hitherto, the Non-Executive Directors were paid only sitting fees for the meetings attended by them. However, from the Financial Year 2014-15, the Non-Executive Directors are also paid Commission apart from sitting fees, which is well within the limits prescribed under Companies Act, 2013 ('the Act').

The Commission/Remuneration payable to Non-Executive Directors is decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee, subject to the overall approval by the members of the Company. The members of the Company had at the Annual General Meeting held on September 26, 2014, approved payment of Commission to the Non-Executive Directors of the Company aggregating upto ₹ 10 Crore for Financial Year 2013-14 (which is within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act) and at a rate not exceeding 1% per annum of the net profits of the Company for financial year ended March 31, 2015 and all subsequent years thereafter.

In accordance with shareholders approval, the Board of Directors of the Company has during the year, paid an aggregate amount of ₹ 10 Crore to the Non-Executive Directors by way of Commission for the Financial Year 2013-14. Further, for the financial year 2014-15, Board has approved payment of Commission of ₹ 15 Crore, which shall be paid after the ensuing Annual General Meeting.

The aforesaid amount of Commission is distributed amongst the Non-Executive Directors based on various parameters such as their attendance and contribution at the Board and various Committee Meetings, committee membership/ chairmanship, time spent on matters other than at the meetings etc.

At the Board Meeting held on October 20, 2014, the Board had approved revision in sitting fees. The revised sitting fees payable to the Directors is ₹ 50,000/- for each meeting of the Board, ₹ 25,000/- for each meeting of the Audit Committee and ₹ 20,000/- for each other Committee Meetings.

The Non-Executive Directors are also entitled to reimbursement of expenses incurred in performance of the duties as directors and members of the Committees.

The details of the sitting fees and Commission paid/payable to Non-Executive Directors for the financial year ending March 31, 2015 are as under:

Name of Non-Executive Director	Sitting Fees paid (₹)	Commission paid for FY 2013-14 (₹)	Commission payable for FY 2014-15 (₹)
Mr. Kumar Mangalam Birla	100,000	854,30,000	13,35,11,000
Mrs. Rajashree Birla	110,000	45,70,000	14,89, 000
Dr. Rakesh Jain ¹	180,000	-	N.A.
Mr. Biswajit A. Subramanian ²	20,000	6,26,000	N.A.
Dr. Shridhir Sariputta Hansa Wijayasuriya ³	195,000	12,73,000	15,78,000
Mr. Arun Thiagarajan	435,000	19,10,000	27,00,000
Mr. Gian Prakash Gupta	315,000	17,54,000	15,56,000
Mr. Mohan Gyani	140,000	2,09,000	8,89,000
Ms. Tarjani Vakil	495,000	13,47,000	30,11,000
Mr. R.C. Bhargava	200,000	6,26,000	15,56,000
Mr. P. Murari	110,000	4,18,000	8, 88, 000
Mrs. Madhabi Puri Buch	130,000	8,35,000	11,11,000
Mr. Sanjeev Aga	290,000	10,02,000	17,11,000
Total	2,720,000	100,000,000	150,000,000

1 Dr. Rakesh Jain was not considered for payment of Commission as he was an Executive Director of promoter Company viz. Aditya Birla Nuvo Limited. Dr. Rakesh Jain ceased to be director of the Company with effect from December 15, 2014.

2 Commission payable to Mr. Biswajit Subramanian was paid to Providence Group, whom he represented. Mr. Biswajit Subramanian ceased to be director with effect from October 20, 2014. Hence no Commission is payable for FY 2014-15 to Mr. Biswajit Subramanian.

3 Commission payable to Dr. Shridhir Sariputta Hansa Wijayasuriya was paid to Axiata Group Berhad, whom he represented.

(iii) Details of Shareholding of Directors

The details of shareholding of Directors as on March 31, 2015 are as under:

Name of Director	No. of Equity Shares #
Mr. Kumar Mangalam Birla	233,333
Mr. Arun Thiagarajan	7,700
Mr. Gian Prakash Gupta	4,192
Ms. Tarjani Vakil	147
Mr. Sanjeev Aga	235,000
Mr. Himanshu Kapania	284,375

Shares held singly or as a first shareholder are only considered.

C. Stakeholders' Relationship Committee (formerly Shareholders'/Investors' Grievance Committee)

In accordance with provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board of Directors of the Company renamed Shareholders'/Investors' Grievance Committee to Stakeholders' Relationship Committee with effect from July 21, 2014. The Committee ensures quick redressal of the complaints of the stakeholders and oversees the process of share transfer. The Committee also monitors redressal of Shareholders'/Investors' complaints/grievances viz. non-receipt of annual report, dividend payment, issue of duplicate share certificates, transmission of shares and other related complaints. In addition, the Committee also monitors other issues including status of dematerialisation/rematerialisation of shares issued by the Company.

Composition, Meetings and Attendance

As on March 31, 2015, the Committee comprises of three members namely, Ms. Tarjani Vakil (Chairperson), Mr. Sanjeev Aga and Mr. Himanshu Kapania. Dr. Rakesh Jain ceased to be the member of the Committee with effect from December 15, 2014. Ms. Tarjani Vakil was appointed as the Member and Chairperson of the Committee with effect from January 27, 2015. The Company Secretary acts as a Secretary to the Committee. During the financial year 2014-15, the Stakeholders' Relationship Committee met once on January 27, 2015 which was attended by all the members.

Compliance Officer

Mr. Pankaj Kapdeo, President (Legal) & Company Secretary, acts as the Compliance Officer of the Company. The Compliance Officer briefs the Committee on the grievances/queries of the investors and the steps taken by the Company for redressing their grievances. He is responsible for complying with the provisions of the Listing Agreement with Stock Exchanges and requirements of securities laws, SEBI Insider Trading Regulations. The Compliance Officer can be contacted at:

Idea Cellular Limited

"Windsor", 5th Floor, Off CST Road, Near Vidya Nagari, Kalina, Santacruz (East), Mumbai - 400 098
Tel: +91-9594003434 Fax: +91-22-26527080
Email: shs@idea.adityabirla.com

Investor Grievances Redressal Status

During the financial year 2014-15, the complaints and queries received from the shareholders were general in nature and were mainly pertaining to non-receipt of Dividend, non-receipt of annual reports, request for subsidiary annual accounts etc. All the complaints were resolved to the satisfaction of the investors.

The status of Investors' Complaints as on March 31, 2015, is as follows:

No. of complaints as on April 1, 2014	0
No. of complaints received during the financial year 2014-15	707
No. of complaints resolved upto March 31, 2015	707
No. of complaints pending as on March 31, 2015	0

To redress investor grievances, the Company has a dedicated E-mail ID shs@idea.adityabirla.com to which investors may send complaints.

D. Finance Committee

The Company has constituted a Finance Committee to approve matters relating to availing of financial/banking facilities and other related treasury and banking activities.

Composition, Meetings and Attendance

As on March 31, 2015, the Committee comprises of three members namely, Ms. Tarjani Vakil, Mr. Sanjeev Aga and Mr. Himanshu Kapania. Dr. Rakesh Jain ceased to be the member of the Committee with effect from December 15, 2014. Ms. Tarjani Vakil was appointed as the Member of the Committee with effect from January 27, 2015. The Company Secretary acts as the Secretary to the Committee.

During the financial year 2014-15, two meetings of the Finance Committee were held on June 18, 2014 and March 13, 2015.

The composition of the Finance Committee and the attendance of the members at the meetings held during the year are as under:

Name of Director	Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Sanjeev Aga	Non-Executive	2	2
Dr. Rakesh Jain ¹	Non-Executive	1	1
Ms. Tarjani Vakil ²	Independent	1	1
Mr. Himanshu Kapania	Managing Director	2	1

¹ Dr. Rakesh Jain ceased to be the member of the Committee with effect from December 15, 2014.

² Ms. Tarjani Vakil was appointed as the Member of the Committee with effect from January 27, 2015.

E. Securities Allotment Committee

The Securities Allotment Committee is empowered to make allotment of all kinds of securities that may be issued by the Company, from time to time. As on March 31, 2015, the Committee comprises of Mr. Himanshu Kapania, Mr. Sanjeev Aga and Mr. Gian Prakash Gupta.

During the year under review six meetings of the Committee were held on June 5, 2014, June 9, 2014, June 10, 2014, June 11, 2014, July 10, 2014 and July 24, 2014.

The composition of the Securities Allotment Committee and the attendance of the members at the meetings held during the year are as under:

Name of Director	Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Sanjeev Aga	Non-Executive	6	5
Dr. Rakesh Jain ¹	Non-Executive	6	6
Mr. Gian Prakash Gupta	Independent	6	4
Mr. Himanshu Kapania	Managing Director	6	4

¹ Dr. Rakesh Jain ceased to be the member of the Committee with effect from December 15, 2014.

F. Corporate Social Responsibility (CSR) Committee

In compliance with the requirements of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee (CSR Committee). The CSR Committee evaluates and recommends to the Board the activities to be undertaken during the year and amount to be spent on these activities. The CSR Committee monitors the CSR policy from time to time.

As on March 31, 2015, the Committee comprises of three members, including one Independent Director. Mrs. Rajashree Birla, Non-Executive Director is the Chairperson of the Committee and Mr. P. Murari and Mr. Himanshu Kapania are other members. Dr. Pragnya Ram, Group Executive President, Corporate Communication & CSR is the permanent invitee to all the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the financial year 2014-15, no meetings of the Committee were held. The CSR Report for the financial year ended March 31, 2015 is attached as Annexure 'B' to the Board's Report.

G. Risk Management Committee

In compliance with the requirements of clause 49 of the Listing Agreement entered into with the Stock Exchange(s), the Risk Management Committee was constituted by the

Board on October 20, 2014. The Committee's prime responsibility is to frame, implement and monitor the Enterprise Risk Management framework for the Company. The Committee reviews and monitors the risk management plan and ensures its effectiveness. As on March 31, 2015 the Committee comprises of Mr. Arun Thiagarajan, Ms. Tarjani Vakil and Mr. Himanshu Kapania as its members. Mr. Akshaya Moondra, Chief Financial Officer is the permanent invitee to all the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the year under review the Committee met once on January 12, 2015 and the said meeting was attended by all the members.

3. SUBSIDIARY COMPANIES

The subsidiary companies are managed by their individual Board of Directors. The Company monitors the performance of subsidiary Companies on periodic basis. The statement containing details of all significant transactions entered into by subsidiary companies is tabled before the Board periodically. The Company does not have any material non-listed Indian Subsidiary Company.

4. DISCLOSURES

a. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis. There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large. Member's approval for material Related Party Transaction, as defined under Listing Agreement, shall be obtained at the ensuing Annual General Meeting.

All Related Party Transactions are placed before the Audit Committee for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. The Company has implemented a Related Party Transaction manual and Standard Operating Procedures for the purpose of identification and monitoring of such transactions. The details of the transactions with Related Parties are provided in the accompanying financial statements as required under Accounting Standard 18.

In line with requirement of the Companies Act, 2013 and Listing Agreement, your Company has adopted a Policy on Related Party Transactions which is available at Company's website www.ideacellular.com.

b. Disclosure of Accounting Treatment

In the preparation of standalone and consolidated financial statements, your Company has followed all the applicable Accounting Standards and the generally accepted accounting principles in India.

c. Details of non-compliance with regard to the Capital Markets

There has been no instances of non-compliance by your Company and no penalties or strictures have been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

d. Proceeds from public issues, rights issues, preferential issues etc.

During the year under review, your Company raised ₹ 3,000 crore under a Qualified Institutions Placement (QIP Issue) as per Chapter VIII of SEBI (ICDR) Regulations, 2009. Further, the Company also raised ₹ 750 crore on a preferential basis under preferential issue (Preferential Issue) guidelines as per Chapter VII of SEBI (ICDR) Regulations, 2009. The Audit Committee monitored the use and application of funds raised through QIP Issue and Preferential Issue. The entire funds raised through QIP Issue and Preferential Issue has been utilized during the year for the purposes stated in the placement document/ offer document.

e. Insider Trading

Your Company's Code of Conduct (Code) for dealing in securities aims at preserving and preventing misuse of unpublished price sensitive information. All the Directors and designated employees have been covered under the Code and provides for periodical disclosures.

f. Whistle Blower Policy

Your Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

g. Compliance with the Mandatory Requirements of Clause 49 of the Listing Agreement

The Board of Directors periodically review the compliance of all applicable laws. The Company has complied with all the mandatory requirements of the

Code of Corporate Governance as stipulated under the Listing Agreement. The Company has obtained a certificate affirming the compliances from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, the Company's Statutory Auditors and the same is appended as an Annexure to this Report.

h. Details of Compliances with the Non-mandatory Requirements of Clause 49 of the Listing Agreement

In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements of Clause 49 of the Listing Agreement:

- Your Company maintains a separate office for the Non-Executive Chairman. All necessary infrastructure and assistance is made available to enable him to discharge his responsibilities effectively.
- The statutory financial statements of your Company are unqualified.
- The quarterly results along with the press release are uploaded on the website of the Company www.ideacellular.com/investor-relations/results. On the next day of the announcement of the quarterly results, an earnings call is organised, where the management responds to the queries of the investors/analysts. These calls are webcast live and transcripts posted on the website.

5. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on Management Discussion and Analysis forms part of the Directors' Report.

6. SHAREHOLDERS' INFORMATION**i) Disclosure regarding appointment or re-appointment of Directors**

Brief profile of the Directors seeking appointment or re-appointment is annexed to the Notice convening the 20th Annual General Meeting forming part of this Annual Report.

ii) Communication to Shareholders

The Company's quarterly financial results, presentation made to Institutional Investors/ Analysts, official news releases and other general information about the Company are uploaded on the Company's website (www.ideacellular.com).

The quarterly financial results of the Company are generally published in The Economic Times (all editions) and Western Times (a regional daily published in Gujarat).

At the end of each quarter, the Company organizes earnings call with the analysts and investors and the transcripts of the same are uploaded on the website thereafter.

(iii) General Body Meetings:

The last three Annual General Meetings held as under:

Financial Year	Date	Time	Venue	Particulars of Special Resolution(s)
2013-2014	September 26, 2014	12.30 p.m.	Cambay Spa and Resort, Plot No. X-22/23, GIDC Electronic Estate, Sector 25, Gandhinagar -382 044, Gujarat.	1. Adoption of new Articles of Association. 2. Borrowing powers of the Company. 3. Creation of security on the properties of the Company, both present and future. 4. Approval for the payment of commission to the Non Executive Directors.
2012-2013	September 16, 2013	12.00 noon	Cambay Spa and Resort, Plot No. X-22/23, GIDC Electronic Estate, Sector 25, Gandhinagar -382 044, Gujarat.	1. Issue of Securities under Employee Stock Option Scheme 2. Extension of benefits of the Employee Stock Option Scheme to the employees of holding/ subsidiary Company(ies) 3. Raising of Funds through further issuance of equity shares.
2011-2012	June 18, 2012	12.00 noon	Cambay Spa and Resort, Plot No. X-22/23, GIDC Electronic Estate, Sector 25, Gandhinagar -382 044, Gujarat.	None

Extra Ordinary General Meeting

During the financial year 2014-15, one Extra-ordinary General Meeting was held on July 10, 2014, for seeking approval of the Members of the Company for the Preferential Issue of Equity Shares.

Postal Ballot

There was no Special Resolution passed through Postal Ballot during the financial year 2014- 2015.

iv) Details of unclaimed shares in terms of clause 5A of the Listing Agreement

In terms of Clause 5A(I) And Clause 5A(II) of the Listing Agreement, the details in respect of equity shares lying in the suspense accounts which were issued in demat form pursuant to the Initial Public Offer (IPO) of the Company in the year 2007 are as given below:

Particulars	No. of Cases	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year i.e. as on April 1, 2014	85	15,855
Number of shareholders who approached to the Issuer / Registrar for transfer of shares from suspense account during the Financial Year 2014-15	2	614
Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2014-15	2	614
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2015	83	15,241

The voting rights on the shares in the suspense account as on March 31, 2015 shall remain frozen till the rightful owners of such shares claim the shares. The Company sends periodic reminders to the concerned shareholders advising them to lodge their claims with respect to unclaimed shares.

7. CEO/CFO CERTIFICATION

As required by clause 49 of the Listing Agreement, the CEO/ CFO certification is appended as an Annexure to this Report.

8. REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report forms part of the Annual Report. The Company is in full compliance with all the mandatory provisions of clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

9. AUDITORS' CERTIFICATION

As required by clause 49 of the Listing Agreement, the certificate from the Company Auditor's M/s Deloitte Haskins & Sells LLP, Chartered Accountants, affirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is appended as an Annexure to this Report.

GENERAL SHAREHOLDERS' INFORMATION**1. Annual General Meeting**

Day and Date : Monday, 28th September, 2015
Time : 12:30 P.M.
Venue : Cambay Sapphire
(Formerly Cambay Spa and Resort),
Plot No. 22-24, Near GIDC,
Opposite Hillwoods School, Sector 25,
Gandhinagar – 382 044, Gujarat

2. Financial Calendar for 2015-16 (Tentative)

Financial reporting for the quarter
ending June 30, 2015 : End July, 2015

Financial reporting for the quarter : End October, 2015
ending September 30, 2015

Financial reporting for the quarter : End January, 2016
ending December 31, 2015

Financial reporting for the year : End April, 2016
ending March 31, 2016

Annual General Meeting for the : August /
year ended March 31, 2016 September, 2016

3. Book Closure Date : September 22, 2015
to September 28, 2015
(both days inclusive)

4. Dividend : ₹ 0.60 per share of
₹ 10/- each (i.e. 6%)

5. Dividend Payment Date : On or after
September 28, 2015

6. Registered Office : Suman Tower,
Plot No. 18, Sector- 11,
Gandhinagar-382 011, Gujarat.
Tel: +91-79-66714000
Fax: +91-79-23232251

7. Plant Locations : The Company being a service
provider, has no Plant Locations.

8. Unclaimed Dividend

Section 124 of the Companies Act, 2013, mandates the Company to transfer entire amount of dividend remaining unclaimed for a period of seven years to the Investor Education and Protection Fund (IEPF). Since, the Company declared its maiden dividend in September 2013 for FY 2012-13, no unclaimed dividend is due for transfer to IEPF.

The Company sends periodic reminders to the concerned shareholders advising them to lodge their claims with respect to unclaimed dividend.

9. Listing Details

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of Stock Exchanges	
National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

The annual listing fee for the Financial Year 2015-16 has been paid to the above Stock Exchanges.

10. Debt Securities**Listing Details**

The Non-Convertible Debentures of the Company are listed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited.

11. Stock Codes

	Stock Code	Reuters	Bloomberg
Bombay Stock Exchange	532822	IDEA.BO	IDEA IN
National Stock Exchange	IDEA	IDEA.NS	NIDEA IN
ISIN No. of Equity Shares	INE669E01016		
CIN	L32100GJ1996PLC030976		

12. Stock Price Data

The monthly high and low prices and volume of shares of the Company at the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the financial year 2014-15 are as under:

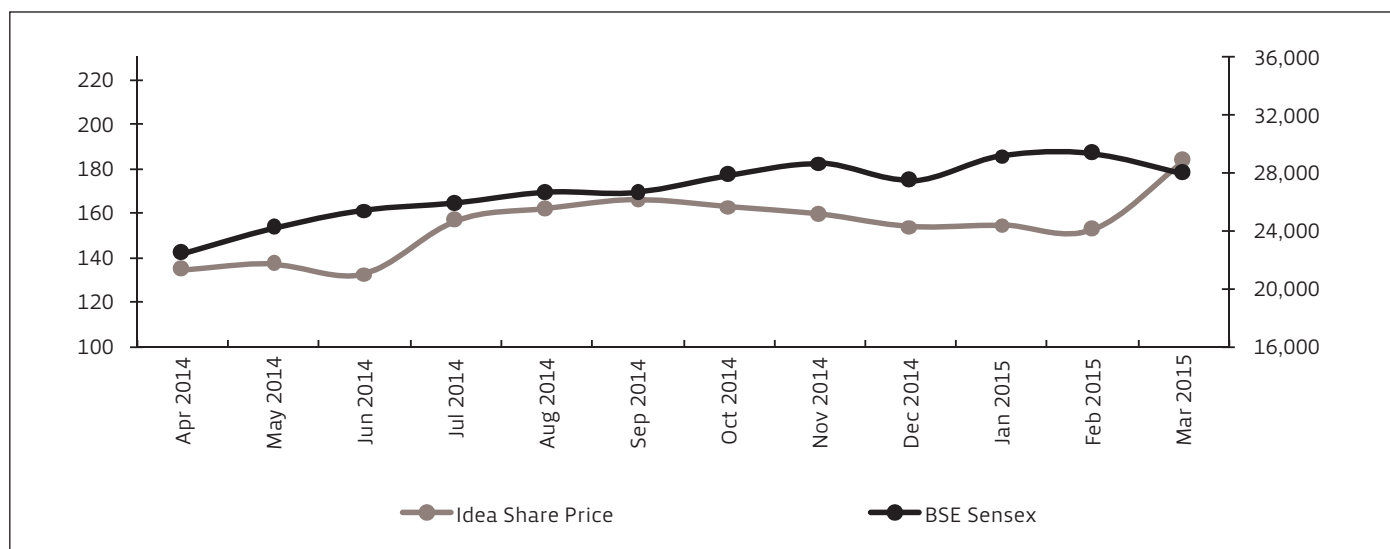
Month	Bombay Stock Exchange Limited				National Stock Exchange of India Limited			
	High (in ₹)	Low (in ₹)	Close (in ₹)	Avg. Vol. (in Nos.)	High (in ₹)	Low (in ₹)	Close (in ₹)	Avg. Vol. (in Nos.)
April, 2014	148.50	132.00	134.35	3,52,249	148.70	131.80	134.70	45,41,188
May, 2014	149.95	129.20	137.20	8,38,509	149.80	129.15	137.85	68,88,446
June, 2014	148.55	129.80	132.45	8,87,834	148.45	129.85	132.45	1,01,58,476
July, 2014	158.50	132.15	156.70	6,55,602	158.60	132.10	156.85	87,22,607
August, 2014	165.90	151.55	161.85	4,23,819	166.00	151.60	161.90	61,15,721
September, 2014	177.30	161.70	166.10	53,53,896	178.10	161.75	166.10	73,83,632
October, 2014	171.45	145.20	162.90	2,57,255	171.35	145.25	162.75	38,92,081
November, 2014	173.80	158.00	159.30	2,12,554	173.00	157.65	158.70	38,52,258
December, 2014	164.30	138.15	153.80	2,69,188	164.50	138.10	153.80	48,41,662
January, 2015	172.60	144.65	154.55	6,13,332	172.10	144.60	154.85	42,59,514
February, 2015	162.00	148.50	152.40	3,02,651	161.10	148.55	152.90	42,34,858
March, 2015	187.40	143.20	183.75	6,85,129	187.50	143.10	184.00	109,87,484

Source: BSE and NSE Website

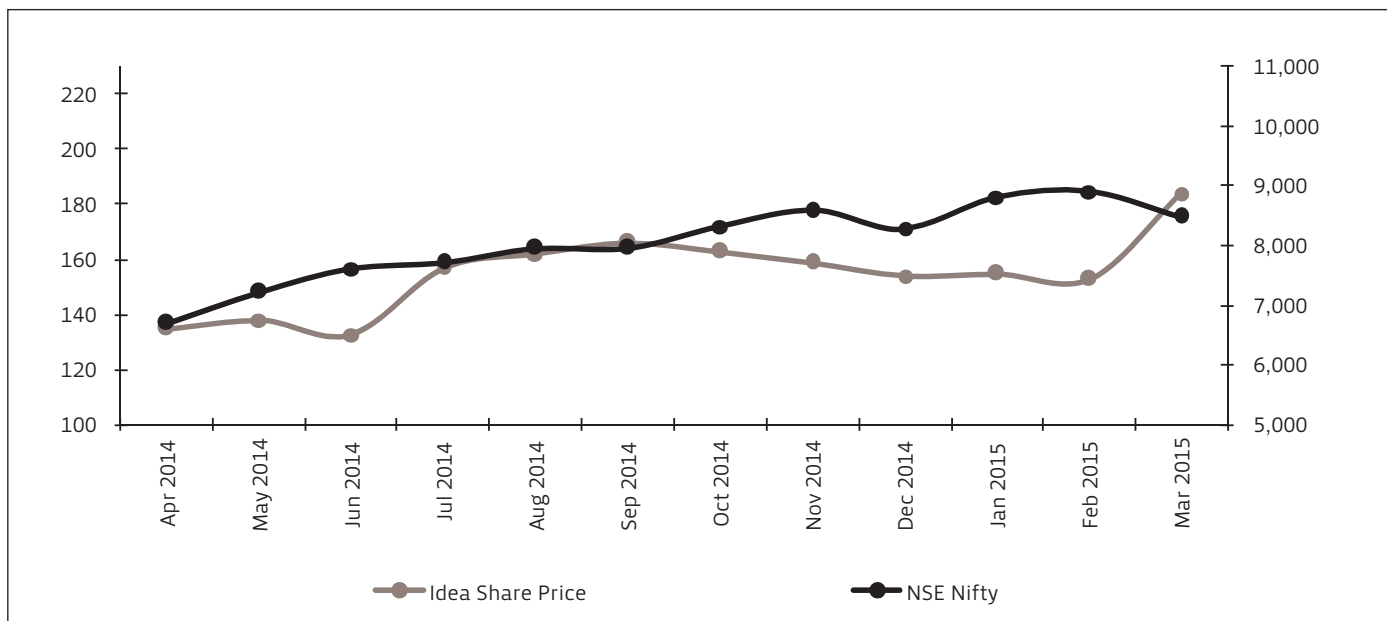
13. Stock Performance

The performance of the Company's share price vis-à-vis the broad based BSE and NSE indices during the financial year 2014-15 is as under:

(a) Comparison of the Company's share price with BSE Sensex



(b) Comparison of the Company's share price with NSE Nifty



14. Share Transfer System

Transfer of shares in dematerialized form is done through the depositories without any involvement of the Company. Transfer of shares in physical form is normally processed within a period of 12 working days from the date of the lodgement, subject to documents being valid and complete in all respects. All transfers are first processed by the Registrar and Share Transfer Agent and are submitted to the Company for approval thereafter. During the year under review, no request for physical transfer was received.

15. Distribution of Shareholding

The distribution of shareholding of the Company as on March 31, 2015 is as follows:

Number of Equity Shares held	Number of Share-holders	% to total Share-holders	No. of Shares held	% to total Share-holding
Upto 5000	2,15,113	94.91	2,67,26,803	0.74
5000 - 10000	6,503	2.87	50,11,407	0.14
10001 - 20000	2,355	1.04	35,09,770	0.10
20001 - 30000	681	0.30	17,53,397	0.05
30001 - 40000	298	0.13	10,70,399	0.03
40001 - 50000	315	0.14	15,02,268	0.04
50001 - 100000	453	0.20	33,39,047	0.09
100001 & above	943	0.41	355,49,31,336	98.81
Total	2,26,661	100.00	359,78,44,427	100.00

16. Shareholding Pattern

The shareholding pattern of the Company as on March 31, 2015 is as follows:

Category	No. of Shares	% Share-holding
Promoter and Promoter Group	1,520,679,047	42.27
Foreign Institutional Investors	8,84,976,482	24.60
Non-Resident Indians / Overseas Corporate Bodies	95,85,89,443	26.64
Mutual Funds, Financial Institutions, Banks, Insurance Companies and Venture Capital Funds	16,68,38,277	4.63
Domestic Bodies Corporate	1,36,74,507	0.38
Resident Indians and Others	5,30,86,671	1.48
Total	3,59,78,44,427	100.00

17. Dematerialisation of Shares and Liquidity

The Shares of the Company are compulsorily tradable in dematerialized form through both the Depository Systems in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). A total number of 3,59,78,32,415 Equity Shares of the Company constituting over 99.99% of the issued, subscribed and paid-up share capital were held in dematerialised form as on March 31, 2015.

18. Outstanding GDRs/ADRs etc.

The Company has not issued any GDRs/ADRs/ Warrants and hence no amount is outstanding as at the year end.

19. Registrar and Share Transfer Agents

M/s. Bigshare Services Private Limited
E -2 & 3, Ansa Industrial Estate,
Saki-Vihar Road, Sakinaka, Andheri (East),
Mumbai – 400 072
Tel: +91-22-2847 0652 / 4043 0200
Fax: +91-22-2847 5207
E-mail: investor@bigshareonline.com

20. Debenture Trustees

M/s IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Building, Ballard Estate,
Mumbai – 400 001
Tel: +91-22-4080 7000
Fax: +91-22-6631 1776

21. Investor Correspondence

In order to facilitate quick redressal of the grievances / queries, the Investors and Shareholders may contact the Company Secretary at the under mentioned address for any assistance:

Mr. Pankaj Kapdeo
President (Legal) & Company Secretary
Idea Cellular Limited
“Windsor”, 5th Floor,
Off CST Road,
Near Vidya Nagari,
Kalina,
Santacruz (East),
Mumbai – 400 098
Tel: +91-9594003434
Fax: +91-22-26527080
E-mail: shs@idea.adityabirla.com

Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchange(s), it is hereby declared that all the Board Members and Senior Management Personnel of **Idea Cellular Limited** have affirmed the compliance with the Code of Conduct for the year ended March 31, 2015.

Place: Mumbai
Date : July 21, 2015

Himanshu Kapania
Managing Director

CEO/CFO Certification

To,
The Board of Directors
Idea Cellular Limited
Mumbai

We, Himanshu Kapania, Managing Director and Akshaya Moondra, Chief Financial Officer, of **Idea Cellular Limited** ('the Company'), to the best of our knowledge and belief, hereby certify that:

- a) We have reviewed the financial statements and cash flow statements of the Company for the year ended March 31, 2015 and:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are no transactions entered into by the Company during the year ended March 31, 2015, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and steps that have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee, wherever applicable:
 - i) Significant changes in the internal control over financial reporting during the year;
 - ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date : July 21, 2015

Himanshu Kapania
Managing Director

Akshaya Moondra
Chief Financial Officer

Auditors' Certificate

To the Members
Idea Cellular Limited

We have examined the compliance of conditions of Corporate Governance by Idea Cellular Limited, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Registration No. 117366W/W-100018)

Khurshed Pastakia
Partner
(Membership No. 31544)

Place : Mumbai
Date : July 21, 2015

Business Responsibility Report

About this Report

The Securities and Exchange Board of India (SEBI) has mandated top 100 listed entities based on market capitalization on the BSE and NSE, to include Business Responsibility Report as part of the Annual Report describing the initiatives taken by the Companies from Environmental, Social and Governance perspectives.

This Business Responsibility Report, as stipulated under Clause 55 of the Listing Agreement provides general information about the Company and its business responsibility as required by SEBI.

The following five sections cover disclosures as per the SEBI suggested BRR framework.

Section A: General Information about the Company

Sr. No.	Description	Information
1	Corporate Identity Number	L32100GJ1996PLC030976
2	Name of the Company	Idea Cellular Limited
3	Registered address	Suman Tower, Plot No. 18, Sector-11, Gandhinagar - 382 011, Gujarat
4	Website	www.ideacellular.com
5	E-mail Id	shs@idea.adityabirla.com
6	Financial Year reported	April 1, 2014 to March 31, 2015
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Telecommunications services Group: 9984 Class: 99841 Sub-class: 998413
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Idea Cellular Limited (Idea) is one of the leading national telecommunication service providers in India. The Company is engaged in the business of mobility and long distance services.
9	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations (provide details of major 5)	None
	ii. Number of National Locations	Company has its business activities and operations spread across the country.
10	Markets served by the Company – Local/State/ National/International	The Company serves the Indian markets.

Section B: Financial Details of the Company

Sr. No.	Description	Information
1	Paid-up capital (INR)	The paid up equity capital of the company as on March 31, 2015 is ₹ 35,978,444,270 comprising of 3,597,844,427 equity shares of ₹ 10/- each.
2	Total Turnover (INR)	₹ 317,318 Mn
3	Total Profit After Taxes (INR)	₹ 28,098 Mn
4	Total spending on Corporate Social Responsibility (CSR) as percentage of Profit After Tax (%)	Idea contributes actively to the reporting period as an integral part of the Aditya Birla Group (ABG). Some of the focus areas for Idea's CSR activities are – Infrastructure development; sustainable livelihood; health care and education.
5	List of activities in which expenditure in 4 above has been incurred	

Section C: Other Details

Sr. No.	Description	Information
1	Does the Company have any Subsidiary Company/Companies?	Yes. The Company has five subsidiaries, the details of which have been provided in the Directors' Report.
2	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company encourages its suppliers and distributors to participate in its Business Responsibility(BR) initiatives and also conduct their own business in a responsible manner. Currently, less than 30% of other entities participate in the Company's BR initiatives. Idea Cellular strives to encourage more and more entities to participate in future.

Section D: BR Information

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

DIN Number	03387441
Name	Mr. Himanshu Kapania
Designation	Managing Director

b) Details of the BR Head:

Sr. No.	Description	Information
1	DIN Number (if applicable)	Not Applicable
2	Name	Mr. Pankaj Kapdeo
3	Designation	Company Secretary
4	Telephone number	9594003434
5	E-mail ID	shs@idea.adityabirla.com

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility, as listed below:

- P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3 – Businesses should promote the well-being of all employees.
- P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5 – Businesses should respect and promote human rights.
- P6 – Businesses should respect, protect, and make efforts to restore the environment.
- P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8 – Businesses should support inclusive growth and equitable development.
- P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

2. Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N)

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholders Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for	Y ¹	Y ²	Y ^{3,4}	Y ³	Y ⁵	Y ²	—	Y ⁶	Y ³
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	—	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Yes. The policies conform to aspects of the nine principles of the National Voluntary Guidelines (NVGs) for Business Responsibilities								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	—	Y	Y
5	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Executive Committee comprising of the Managing Director and other senior officials - Deliberate and drive sustainability governance of the company; ensure efficient adoption of new sustainability processes and accelerate its progress. Cross Functional Sustainability Committee - A dedicated Sustainability Officer leads nominees from all functions to set the sustainability framework in motion and drive and implement the agreed policy and strategy across the company.								
6	Indicate the link for the policy to be viewed online?	#	-	-	-	-	-	-	-	-
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. The policies have been communicated to all relevant stakeholders of Idea. Our communication with internal and external stakeholders on such matters is a continuous process.								
8	Does the company have in-house structure to implement the policy/policies?	There are defined management structures in place to oversee the effective the implementation of all policies. - Sustainability Cross Functional Team (CFT) / Committee in place. - Executive Committee (EC) chaired by MD, leading from the front. - EC Meeting, created CFT Sub Committees on: - Energy & Emissions; - Health & Safety; - Waste Management & Supply Chain; - Electro Magnetic Field (EMF) Radiation; - Incident Management Tracking								

2. Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N)

		● Chief Technical Officer (CTO), designate Chief Sustainability Officer (CSO) with VP (Networks): Champion sustainability. ● Corporate Networks Projects Department assigned responsibility to drive/roll out sustainability in Idea. ● Sustainability Officer/Subject Matter Expert (SME) appointed in September, 2013.									
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	<table><tr><td>Y</td><td>-</td><td>Y</td><td>-</td><td>Y</td><td>-</td><td>-</td><td>-</td><td>-</td></tr></table>	Y	-	Y	-	Y	-	-	-	-
Y	-	Y	-	Y	-	-	-	-			
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Idea has an internal review mechanism for its key policies. Sustainability Dashboard created with Group level Central Sustainability Cell Office & Reporting to Business Review Council initiated from Q3 FY 14									

¹ Code of Conduct: #http://www.ideacellular.com/wps/wcm/connect/home/idea/investor_relation/code+of+conduct.

² Safety Health and Environment Policy*

³ Policy on Mission, Vision, Values

⁴ Policy on Prevention of Sexual Harassment

⁵ Human Rights Policy*

⁶ Corporate Social Responsibility Policy*

*Safety, Health and Environment Policy Human Rights Policy, and Corporate Social Responsibility Policy were formally adopted in April, 2013.

2a. If answer to S.No. Against any Principle is 'No', please explain why?

S. No.	Principle	Response
1	Principle 7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	The company plays a key role in advocating issues of the telecom sector. The senior management of the company actively participates in various industry forums and is involved in framing, reviewing and modifying relevant policies (described later in the report). Even though the company currently does not have a stated policy on policy advocacy, it continues to monitor and follow the business and regulatory environment.

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Vision, Mission and Values adopted by the Aditya Birla Group (ABG) governs and guides all business activities and stakeholder interactions at Idea.

As a company with an all India presence and operating in diverse markets and cultures, the five core values that bind all employees of Idea are – Integrity, Commitment, Passion, Seamlessness and Speed. The employees of the Company and its subsidiaries are guided by the senior management along these values.

Idea is committed to taking fair and honest decisions following the highest standards of professionalism and business ethics. Integrity is the basis for all its dealings and interactions with its customers, employees, suppliers, partners, shareholders, communities or the government. Idea has a sound consequence management process in place

to maintain checks and balances on these very values and policies.

Along with the core values, all Board Members and senior management personnel affirm their compliance to the Code of Conduct (Code) it has adopted with the provisions of Clause 49 of the Listing Agreements. The Code is derived from three inter-linked fundamental principles of good corporate governance, good corporate citizenship and exemplary personal conduct.

The Company also has in place a Code which requires all employees to transact with each other in a fair and dignified manner and respect diversity. Integrity in personal conduct, conduct at work, conflict of interest, and interface with the external world are all covered under the code.

From its vendors, Idea demands ethical business conduct. As part of its Health Safety and Environment Policy, vendors must not engage in unethical practices such as bribery, corruption or other malpractices to gain competitive advantage.

Idea is sensitive about transparent and timely communication in order to yield positive results and take faster decisions thereby enhancing the credibility of the management.

SEBI – BRR Questionnaire Responses for Principle 1:

1. *Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to group/joint ventures/suppliers/contractors/NGOs/Others*

Ans:Based on the Aditya Birla Group Code, which addresses the aspects of ethics, bribery and corruption, the company has adopted its own Code. The five core values Integrity, Commitment, Passion, Seamlessness and Speed – have been adopted across the Aditya Birla Group including the employees of Idea and its subsidiaries. In addition, the Company's vendor/supplier contracts include clauses on ethical behavior, bribery and corruption.

2. *How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.*

No complaints were received during the year.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

While evaluating the impact of business operations, Idea Cellular relentlessly works to provide value across its value chain to minimize environmental fallout. Idea took some significant steps like promoting reduced energy consumption, minimizing waste and focusing on developing innovative solutions to ensure environmental stability. The Company has formulated and implemented procurement guidelines to confirm safety and resource optimization. Besides, it adheres to standard practices and procedures for waste disposal in accordance with regulations.

For FY 2015, the following sustainability initiatives have been reported to reflect environmentally and socially responsible practices Idea has adopted across lifecycle of its operations, products and services:

- Recycled A4 Sheets used for General purpose Printing & Photocopiers - The Company's average use of A4 Sheets of paper for general purpose of printing and photocopying is 60,000 reams / year. Idea with an initiative from Corporate Commercial Department decided to replace Virgin A4 Paper with Recycled paper. A national level contract was released in FY 2015 and immediately 07 Circles took up the green initiative with

a target of saving 1,876 trees per annum. Total saving capacity budgeted of ₹ 5.6 Lac per Annum.

- Adoption of Eco-Friendly Prepaid SUK (Start-Up Kit) Jacket - This involves removal of Plastic Lamination on Outer Jacket & Printing Prepaid Kits on Recycled Paper. The company uses around 127 Mn prepaid kits per year. With a target to save 7,106 trees per annum - this green initiative was taken up by 17 Circles of Idea. Further, a total saving of ₹ 14.2 Mn per annum (PAN India) has also been budgeted by the company which makes a robust business case. In Karnataka alone: Removed Plastic Lamination has led to 2.1 Ton reduction in plastic and Saving of ₹ 1.2 Mn per annum.
- Compliance on EMF radiation related regulation - This being another business priority at Idea, the company has made significant financial investment in the purchase of EMF monitoring equipment and is compliant with existing Department of Telecommunications (DoT) regulations. The Company is proactive in policy development and public education initiatives led by the Cellular Operators Association of India (COAI) on the subject of EMF. Idea has strengthened its internal systems and processes to become EMF compliant. Resources for meeting compliance have been appointed in all the circles. Idea has a dedicated team of senior officials who engage with external and internal stakeholders for awareness and education on EMF. As specified by DoT, the company has been working with COAI on the EMF portal.

SEBI - BRR Questionnaire Responses for Principle 2:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Following is an example of the Company's product / service features that incorporate the aspect of environmental conservation:

In an unprecedented move in FY 2015, the company has initiated a pioneering project to convert all its post-paid paper bill printing on Recycled Paper.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional). (i) Reduction during sourcing / production / distribution achieved since previous year throughout the value chain; (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year:

The main USP of re-cycled paper is that it saves cutting down of tress (thus protecting environment for better future).

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has already adopted several environmentally conscious transportation practices, including route optimization, vehicle optimization and co-loading of shipment. Further, the company has been seeking vendor commitments to good sustainability practices before registering them on board. In this regard, the company has been revising the Code of Conduct (CoC) for Idea Suppliers to address sustainable sourcing covering waste management, health and safety, child labour and environment. A copy of the same is also available on the Idea Supplier Portal.

4. Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Idea is always been committed to provide skill development and employment to local businesses in rural areas through commissioning of call centers in non-metro towns and recruitment of rural youth for local sales operations. A major portion of the procured goods and services are de-centralized to local offices in various states.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Recycling and environmentally safe disposal of waste is a non-negotiable and intrinsic aspect of Idea's environmental commitment. In this regard, as per the company's policy on scrap and waste, it is ensured that waste generated is channelized to authorized collection centres or registered dismantler(s) or recycler(s) or is returned to the pick up or take back services provided by the producers (original manufacturers).

Principle 3: Businesses should promote the wellbeing of all employees

The importance of welfare and the interest of its human resources form the very basis of the Company. This is evident in the Chairman's belief: "Without 'people power' even the best of operational and strategic thinking will come to naught"- Chairman, Idea.

In order to ensure employee well-being and development, the Company has adopted the following specific policies:

1. Whistleblower Policy
2. Human Rights Policy
3. Policy to Prevent Sexual Harassment at the Workplace
4. Training Policy
5. Continuing Education Policy
6. Grievance Redressal mechanism

The company has also participated in events like the Stepathlon-Walk for Fitness which has resulted in continued awareness and action on fitness and health regime. In the first year of the event, all HOD and above population participated. The second year saw participation from female employees and non HOD employees aged above 50 years.

Idea with its strong focus on human resources development enjoys high levels of employee satisfaction and retention. It has consistently maintained a high level of employee motivation and sustained growth in an extremely challenging business environment. Employee engagement and internal communication scores at Idea have improved steadily over the years. The rate of participation of employees in various surveys as well as the satisfaction levels have also improved significantly.

Occupational Health and Safety of employees is a major focus area for the company's HR. Several internal and external programmes have been organized to ensure health and safety of employees. As part of the Aditya Birla Group (ABG), Idea Cellular has implemented the ABG Code Red Programme. The programme has a tie up with:

- International SOS: It provides integrated medical, clinical, and security services to organizations with international operations. Services include planning and preventative programs, in-country expertise, and emergency response.
- Apollo Hospitals - Emergency Medical Services
- The company has Code Red volunteers across the Group

In addition to this, regular training programmes are held and awareness raising emailers on health and safety of employees are circulated. Half yearly safety audits are conducted at which comprises of audit of all safety equipment of Fire Suppression systems, VESDA etc. In addition to this, Fire and Evacuation drills across all Circle locations are conducted on a half yearly basis. For all employees located at the Data Centre, ISO 27001 certification user awareness training was conducted.

The Company's policies and practices are based on Respect for employee rights and genuine needs, which include non-discrimination, work-life balance, safety and dignity. All

applicable legal requirements are followed in this regard. Idea continuously works on monetary and non-monetary ways to recognize employees' achievements.

To make its employees more effective in their current and future roles, Idea has adopted the Aditya Birla Group's Continuing Education Policy encouraging mid-career education and professional development.

Idea has instituted various initiatives in order to develop and build an environment that facilitates employee development, encourages open and transparent communication. Some such initiatives are outlined below:

- !NVEST - Framework for enabling career conversations
- !Aspire - Framework of internal development centers for high potential and high performing employees
- !Evolve - 'Competency based grid' training framework to develop people through different interventions on competencies
- i-Mitra - Employee query / request management tool
- Pragya initiative - Building a culture of inclusion based on gender diversity

Further, Idea actively engages with its employees through various forums like 'Samvaad', 'MD's chat', 'Team Meets/ Town Halls' and 'Idea Connect'.

In an effort to enhance employee satisfaction, the Company has developed a formal process ('VOICE') which provides the employees across the organization a platform to voice any unresolved workplace concerns and seek resolution in a fair and transparent manner. Under this initiative, Employee Satisfaction Champions and Employee Satisfaction Teams have been entrusted with the task of addressing employee concerns as per a defined process.

SEBI – BRR Questionnaire Responses for Principle 3:

1. *Please indicate the total number of employees:*

The Company has 10,875 regular employees as on March 31, 2015

2. *Please indicate the total number of employees hired on temporary/contractual/casual basis:*

The Company has 8,241 employees on temporary/ contractual/casual basis as on March 31, 2015

3. *Please indicate the number of permanent women employees:*

IDEA has 810 permanent women employees.

4. *Please indicate the number of permanent employees with disabilities*

Data not available for this category.

5. *Do you have an employee association that is recognized by management?*

The Company has no employee association.

6. *What percentage of your permanent employees is members of this recognized employee association?*

The Company has no employee association.

7. *Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.*

There have been no cases reported, relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year.

8. *What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year? - Permanent Employees, Permanent Women Employees, Casual/Temporary/Contractual Employees, Employees with Disabilities*

- Total training man days for the company in FY 2014-15 = 52,447 (till Feb, 2015)
- Average training man-days per employee = 5.79 till Feb 2015 for FY 2014-15
- Total training man-days given to sales team in FY 2014-15 = 13128 (till Feb, 2015)
- Safety drills and evacuation are conducted across all offices on an annual basis.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Idea formally engages with its stakeholders to identify and work towards meeting their expectations. The company recognizes the critical role played by internal (employees) and external (adjudicators, courts, licensors, industry associations, regulators, network operators and subscribers) stakeholders in its sustainability agenda, and strives to align its social, environment and economic performance with stakeholder needs and expectations.

Idea's inclusive growth plan encourages its partners to employ differently abled people at its call centers. Currently Idea employs 119 differently abled people at its call centers. Idea is also an equal opportunities employer.

Idea is focused on expanding its services in rural areas and promotes schemes such as minimum top up of ₹ 10/- in order to provide affordable access to communication to the economically disadvantaged population.

Idea has set up its rural distribution network to cater to customers far away from the urban centers with its vast variety of services. As of March 31, 2015, the Company has 4,800 Rural Service Centers (Idea Points and Idea Service Points) across 4,558 rural towns. Products with starting prices as low as INR 4 or 5 ensure that everyone can experience these products while ensuring value for their money.

In order to cater to remote communities, Idea organizes camps in rural areas where customers are unable to easily access its service centers. The Company has also set up call centers in Tier 2 and Tier 3 cities employing 11,820 call centre agents in these towns so as to reach out to the rural customers. Idea also provides Interactive Voice Response (IVR) in 17 regional languages so that customers are able to understand and avail of various services. Other than the usual applications, Idea has launched several mobile applications aimed at improving information access and quality of life for non-urban communities across the country, which are often economically disadvantaged. These initiatives pertain to education and learning, mobile banking, agricultural information, health and safety, government schemes and employment generation. Details of such initiatives are provided under Principle 8 below.

SEBI – BRR Questionnaire Responses for Principle 4:

1. *Has the company mapped its internal and external stakeholders?*

Idea has mapped its key internal and external stakeholders, which include employees, adjudicators, courts, licensors, industry associations, regulators, network operators and subscribers.

2. *Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders?*

Idea is a pan-India integrated GSM operator offering 2G and 3G services, and has achieved deep rural penetration. Idea has succeeded in reaching out to 67% of the village population in India corresponding to 53% of villages in India. Under the project “Idea Care” – the company is running over 6,500 My Idea Service centres, Idea Points and Idea Service Points. These three variant service centre models are spread over 4,558 villages and small towns through over 4,800 sales executives catering to the sales and service requirements of the Idea rural and peri-urban subscribers. Details of schemes and mobile applications addressing the needs of this demographic are detailed in the section above.

3. *Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.*

The Company recognizes its responsibility for the rural, geographically remote and the economically challenged population of the country and has generated local employment and deployed various rural-focused mobile solutions. Idea’s efforts towards job creation for women and rural youth are described above, while its unique mobile-based applications for health, education and financial inclusion are described under Principle 8 below.

Principle 5: Businesses should respect and promote human rights:

Idea strongly supports a culture of respect and promotes human rights. The Company is of the firm belief that every employee should be able to live with social and economic dignity and with freedom, irrespective of his nationality, gender or religion. The Company complies with all applicable local, state and national laws regarding human rights and worker’s rights where ever it does business.

Reinforcing its dedication to human rights issues, Idea has recently adopted a Human Rights Policy that outlines the Company’s commitment to developing a culture of respect and support for human rights - including diversity in workplace, provision of secure environment for all personnel, proactive communications, and contribution to socio-economic development of communities where the Company operates.

As covered under the Human Rights Policy, the key suppliers of the Company are encouraged to uphold and create awareness about human rights in their operations and communities. The Company’s key vendor contracts mandate including clauses against use of forced and child labor, worker safety and hygiene and the absence of abuse and intimidation etc.

SEBI – BRR Questionnaire Responses for Principle 5:

1. *Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?*

The Company’s Human Rights Policy is applicable to all employees of Idea and its subsidiaries and suppliers.

2. *How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?*

No complaints related to human rights were received in the past financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Idea is sensitive to the impact telecom network operations have on the environment and therefore has been quick to adopt environmental sustainable practices whenever these were available. Idea continued to expand the scope of 'Green Idea' in 2013 with the following objectives:

- Reduce Carbon Emissions at the existing & new Telecom Sites of Idea, by increasing the Renewable Energy Technologies (RET) deployments to more Sites
- Adopt better battery hybrid solutions to reduce consumption
- Continue with the procurement of most energy efficient Telecom Hardware

The track record of FY 2014-15 stands as below:

- Hydrogen Fuel Cell-Grid Hybrid Solution for powering telecom Sites operational in 25 Sites
- Solar-DG Hybrid Solutions for powering Sites in about 1,200 Sites
- Battery-DG Hybrid Solutions 800 Sites
- 100% procurement in last 12 months confirmed to highest energy efficient category

Some of the tangible outcome of those activities/initiatives include:

- **Reduction in Carbon emission:** CO2 emission reduction of about 56,000 Tons per annum by end of FY 2015 has been achieved through hybrid solutions and indoor to outdoor conversions.
- **Contributing to Greener Economy:** The DG running has been reduced by 4 hrs per day, on an average, saving approximately 6.1 Mn Litres of diesel for 2,000 Sites in FY 2015. Reduction in diesel consumption is contributing not only to greener economy but also to the national economy by reducing the use of subsidized diesel.
- **Contribution to Industry:** Idea's Hydrogen Fuel Cell-Grid Hybrid solutions are the first-of-its-kind Commercial deployment in India for running Telecom Sites. This model has been much appreciated, and has motivated other Industry players to emulate the same.
- **Induction of Energy efficient Hardware:** 100% of Idea's BTSs procured in FY 2015 are more energy efficient than the existing models; Eg: RUS BTSs from Ericsson and Multi Radios from NSN. This will significantly reduce energy consumption.

Idea has adopted only commercially viable models which offered business benefits to all stakeholders involved.

Reduction in CO2 emission and in Operating costs was achieved in all the initiatives undertaken, the major ones being listed below:

1. Idea spearheaded passive infrastructure sharing in 2001, far ahead of other Industry players. Today more than 90% of Idea BTSs are operating from shared locations, with an Industry best Tenancy Ratio of 2.6, contributing hugely to reduction in both, CO2 emission and operating costs.
2. Idea adopted the deployment of outdoor BTSs as soon as the technology was commercially available and more than 40% of Idea's 1.42 Lakhs BTSs are Outdoor presently. This initiative helped reduce energy consumption, thereby further reducing both CO2 emission and energy costs.
3. Idea in association with United States Trade Development Agency (USTDA) carrying out trials of Solar Hybrid Methanol based Fuel Cell systems for powering Telecom Towers, an alternative for Diesel Generator. This is part of an effort to identify viable means for eliminating fossil fuel in Telecom Site operations
4. Under the umbrella of Green Idea, more energy optimization initiatives are being evaluated and inducted for Site operations, such as Lithium Ion batteries, Flow batteries, etc

Going Forward:

This year Idea continues to expand the deployment of energy efficiency solutions following heads:

- **On Site Solar implementation:** This project was initiated last year and a 25 KW Solar Plant was implemented on the Roof Top of Idea Delhi MSC and its working successfully till date. Similar Plants shall be deployed in all such cases where the Roof Tops are available in MSC locations. This will reduce the power being drawn from the Grid or the load on the DG, reducing the Diesel consumption.
- **Off Site Solar Deployment:** This concept was also initiated last year based on the Carbon abatement principle. 1 MW Solar plant was commissioned in AP Circle against the consumption of a Switch facility and another 1.8 MW Solar plant commissioning is in the final stages of completion. Discussions are progressing in 5 other Circles to emulate similar models under Open Access Scheme where Idea partner will generate power from a Mega Watt Solar plant, at a remote place and feed it to Grid. The identified HT connected load of Idea shall use the power credit from the Solar plant for settling the energy settlement with the distribution company.

SEBI – BRR Questionnaire Responses for Principle 6:

1. *Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?*

The Safety, Health and Environment Policy extends to the Company and its subsidiaries, as well as to its third party vendors/suppliers.

2. *Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.*

Yes.

Idea is continuing its sustainability journey with special focus on energy efficiency and emission reduction. This ultimately furthers the company's commitment to addressing global environmental issues such as climate change and global warming. The emission levels of the Network is base lined as of FY 2012 and being tracked half yearly. Under this initiative, more than 1,200 plus telecom sites are operational with solar hybrid energy solutions, 25 sites are operational with hydrogen fuel cell hybrid solutions and more than 800 sites are operational with fast charging battery hybrid solutions. More Examples of key initiatives are described under Principle 2, 6 and 8 in this section of the business responsibility report.

3. *Does the company identify and assess potential environmental risks? Y/N*

Idea has always been sensitive to the environmental impact of Telecom Network operations and has proactively adopted environmental sustainable practices whenever such opportunities were/ are available. This very endeavour led to the Green Idea Program towards Carbon emission reduction by way of:

- Using renewable energy technologies (RET) for powering towers during grid failure.
- Using highly energy efficient hardware
- Reducing Diesel Generator (DG) Running by use of Deep discharge batteries thereby reducing diesel consumption
- Optimizing Air Conditioner operations
- Idea introduced the use of Hydrogen Fuel Cells for the first time in the history of the Indian Telecom Industry for running BTS (Base Transceiver Stations) sites.
- In FY 2015, Idea in association with USTDA (United States Trade Development Association) doing trials for the use of Solar Powered Methanol based Fuel Cells as an alternative to Diesel Generators. Project is under way presently.

In all such cases Idea adopted only commercially viable models which offered business benefits to all stakeholders involved. Reduction in CO2 emission and reduction in Operating costs were the driving forces in all its initiatives.

Further, Sustainability issues are being added to the Business Risk Register. For example, EMF & physical risks considered & mitigation plan in draft stage. A dedicated Enterprise Risk Management (ERM) structure is in place and the same is quarterly reviewed by IDEA Executive Committee (EC). Further, a comprehensive crisis plan is in place and schedule established. Under this, the company has an IT disaster recovery plan in place.

4. *Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?*

Idea does not have any project related to Clean Development Mechanism.

5. *Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc*

Apart from installation of energy efficient hardware, Idea has adopted cleaner and non-conventional energy sources such as fuel cell hybrid and solar hybrid technology across several of its BTS sites. Details of these initiatives are provided above in Section 6.

6. *Are the emissions / waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?*

Idea gives utmost importance to the issue of emissions and waste generated from its operations and follows all pertinent Govt. guidelines to be environment friendly. EMF radiation, and its commitment in this regard is evident from the Company's stringent monitoring systems and financial investment in emissions testing equipment. All of the Company's network sites are in compliance with the relevant radiation limits prescribed by the regulatory agency.

Idea is committed to remaining environmentally friendly and therefore, follows all government guidelines with regard to the issue of emissions and waste generated from its operations. EMF radiation and its commitment in this regard is evident from the Company's stringent monitoring systems and financial investment in emissions testing equipment. All of the Company's network sites are in compliance with the relevant radiation limits prescribed by the regulatory agency.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are 2 legal notices received from CPCB/SPCB, which are pending as at the end of Financial Year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

As one of the largest mobile operators in the country, Idea advocates policies that will spurt socio economic growth including the role of the telecom sector promoting development, inclusive growth and access to information. Idea is an active player in the following national and international industry associations (either directly or through its subsidiaries):

1. Confederation of Indian Industry (CII)
2. The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
3. Federation of Indian Chambers of Commerce and Industry (FICCI)
4. Cellular Operators Association of India (COAI)
5. GSM Association (GSMA)

Through its participation in the above bodies, Idea actively participates in policy development on several issues pertaining to the telecom industry, including the TRAI Directives on Green Telecom and EMF directives of DoT related regulations. In addition, Idea is a member of the CII National Committee on Telecom and Broadband, which actively advocates on telecom industry issues such as inclusive growth, rural telecom, driving higher quality of service and security for customers and industry challenges and opportunities. Idea is co-Chair of the FICCI Communication and Digital Economy Committee.

Idea is also the principal sponsor of the IIMA Idea Telecom Centre of Excellence (IIT-CoE) at the Indian Institute of Management Ahmedabad (IIM-A). The Centre came into existence in 2007 as a result of a tripartite Memorandum of Understanding (MoU) between the Company, the DoT, and IIM-A. The Idea Telecom Centre of Excellence, along with other TCoEs, is playing an instrumental role in capacity building and all round growth of the Indian telecom industry (including manufacturing through Application Research). It also serves as a think tank to the Government and industry decision makers.

The Company's Managing Director was the Chairman of COAI till July 2014. He has also been elected to the Board of GSMA for a period of two years starting January 2015.

SEBI – BRR Questionnaire Responses for Principle 7:

1. *Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.*

Idea is a member of several key Indian and global industry associations. Some of these are:

- a. Cellular Operators Association of India (COAI)
- b. GSM Association (GSMA)

2. *Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others.*

Idea is a core member of the COAI. The industry body is the lead interlocutor between the policymaker (DoT), the Regulator (TRAI), and the ecosystem at large. The association has been involved in facilitating a smooth and productive dialogue on behalf of the operators in the country, on various public policy matters such as driving rural penetration of telecom, higher quality of service and security for customers, environmental and EMF issues in telecom, innovation and technology etc. Idea is also part of the Idea-IIMA Telecom Centre of Excellence (IITCOE) which is actively involved in creating better telecom standards and technological excellence in this field.

Principle 8: Businesses should support inclusive growth and equitable development

Idea Cellular Roadmap for Social Inclusion and Equitable Development aims at ensuring maximum people are included and empowered by connecting them to sustainable economic growth. This objective is guided by its four Social Pillars:

1. Bringing Digital Divide and Bringing all underprivileged into digital Presence.
2. Ensuring Gender Equity and Equal Opportunity to all level at Idea Cellular.
3. Harnessing the transformational potential of mobile telephone and information technology to develop a better application to the universe of financial inclusion, education and Health for the weaker section of the society.
4. Community development and nation building through sustainable development.

Idea's objective and contribution towards achieving inclusive growth and equitable development are accomplished by:

- **Reaching to unreached people through robust network and far reaching distribution** - Idea is a fully integrated telecom services provider offering its 121.6 Mn mobile subscribers a choice of national, international and internet services.

The Company's services are available in remote towns and villages across India. Moreover, the Company's rural penetration was more than 70%, which is more than its licensing obligation.

- **Gender Equity Policy at Idea:** The Company maintains gender equality at all levels. Idea constantly endeavors to inspire participation of women through constant support, coach, motivation and by creating opportunities to realize their potential. The gender equality policy at Idea are organic in nature and evolve through the work and involvement of employees engaged within them. The company prides itself for its women centric initiatives such as providing crèche facility at work place, differential referral payment, mobility support etc. Idea also provides a best in class Maternity Support Program to ensure women enjoy the precious moments with no professional pressure.
- **Consistently innovating new business models** like mobile money, mEducation, which are focused intervention for overcoming the sustainability barriers
- **Creating human interface "son of Soil"** to enhance the access and opportunities gap through mobile network for underprivileged rural community

SEBI – BRR Questionnaire Responses for Principle 8:

1. *Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.*

The Roadmap and miles stones for inclusive growth and equitable development are implemented through our own initiatives and some are through partners. Some of the specified programmes/initiatives in pursuit of above policy are as follows:

- **'Son of Soil'** - Rural youths are recruited for day to day sales operations in villages. This initiative not only provides employment for local communities but also helps in building sustainable relationship with the rural population.

- **Mobile Banking** – Idea Mobile Commerce Service Ltd (IMCSL) (100% subsidiary of Idea Cellular Ltd) is engaged in the business of M Commerce with two line offerings:

- Bank Led Model and
- Own Prepaid Payment Instrument (PPI) also known as Semi Closed Wallet.

Under the **Bank led Model** IMCSL launched "Idea Money Axis Bank A/C" in association with Axis Bank in select areas of UP (East), Bihar, Delhi & Mumbai. The service enables customers who do not have access to banking services to open a bank account and avail basic services like cash deposit, withdrawal, remittances, utility payments etc. through mobile. The company has acquired more than a lakh customers however transacting base is yet to be very encouraging.

Further, the Bank led model has given rise to Domestic Money Transfer (DMT): The services are currently available in 4 circles- UPE, Bihar, Delhi and Mumbai Circles. National Electronic Funds Transfer (NEFT) and Immediate Payment Service (IMPS) is a facility through which the customers can transfer funds to any Bank account across India at their own convenience by visiting any of IMCSL NEFT/ IMPS retailers and avail the services as Over the Counter (OTC) service. Idea launched NEFT money transfer over the counter services in November, 2013 and later added IMPS services in April, 2014. These services benefit customers who do not have the bank A/Cs or they don't use the internet banking to send money to their 'near & dear ones' to any bank A/C across the country.

IMCSL has secured Certificate of authorization for Prepaid Payment Instrument (PPI and also known as semi closed wallet) in November 2013 from Reserve Bank of India (RBI). For introducing the services, IMCSL partnered with VISA, global leader in financial transactions for Mobile Money technology platform. IMCSL announced the launch of PPI branded as "Idea Money" in Mumbai in the month of July'14.

"Idea Money" service works presently on USSD mode and doesn't require internet connection. 'Idea Money' currently allows multiple convenience features to customers like Mobile & DTH recharges, Utility Bill Payments and Money transfer to any 'idea Money' customer or bank A/C across the country etc. These services can be accessed using the WEB, USSD interface. Going forward, the mobile App will get introduced to cater the smartphone user segment and the portfolio of services will be augmented to cover all billers and various kinds of digital merchant payments. Currently

teams in circles where the company has launched the services are engaged in beefing up the distribution and the customers' acquisition and transactions picking up.

- **Angaraji Seekho** - Idea cellular in partnership with Pratham has implemented a pilot project with an objective to test the effectiveness of cellular technology for learning the basics of English language. The project was implemented in five locations Dadri, Mumbai, Delhi, Lucknow, Pilani, Pune, Talasari. A total of approximately 3500 students were targeted under this CSR activity. Under the project Pratham has set up English clubs at each location. The club coordinators selected locally was given responsibility to conduct daily sessions with the underprivileged children. At English clubs students have access to cellphones to dial into dedicated idea Number (52111) to access the pre-recorded English content along with the study material. The outcome of the projects are a) Improvement in Reading, b) Improvement in Comprehension c) Listening comprehension (of sentence reading children)
- **Behtar Zindagi** - An initiative mainly for rural population provides information on following aspects over mobile phones:
 - Agriculture (crops and cultivation)
 - Weather forecast and advisory
 - Livestock management
 - Inland and coastal fisheries
 - Health
 - Education
 - Finance

In addition to the above, Idea is also associated with non-governmental organizations such as Teach India, AWO, GOONJ, Habitat for Humanity where Company employees are encouraged to participate and volunteer their time and knowledge for societal development and nation-building.

2. *Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?*

The Aditya Birla Centre for Community Initiatives and Rural Development provides the overall vision under the leadership of its Chairperson, Mrs. Rajashree Birla. The Company's efforts are supported by a robust implementation structure, which includes a team of dedicated professionals placed at the Company units. The CSR strategy also includes collaborative partnerships with the Government, District Authorities,

village Panchayats, NGOs and other like-minded stakeholders. In collaboration with FICCI, the Aditya Birla CSR Centre for Excellence has also been established with an aim of making CSR an integral part of corporate culture. Apart from the above mentioned project some other projects undertaken by Idea are as below:

- **Branding of Idea in television commercials** in the last three years has been closely associated with social causes. In its commercials the company has positioned itself as a socially conscious company rather than focus on mere selling of its products and services. Some of the social causes that Idea has espoused in its brand commercials are education, saving trees, no caste discrimination etc.
- **Idea Employee Contribution towards social inclusion:** Idea provides opportunities to an individual to contribute towards the noble cause and be a part of the philanthropy. Under this initiative during FY 2014-15, Idea collaborated with AWO Foundation. The foundation aim to bridge the gap between aspiration and qualification by providing timely financial assistance to deserving and capable but economically-challenged youths. At Idea we believe that Education enables and empowers the human mind; breaks social barriers; uplifts communities and makes this world a better place. To support the good initiative of AWO, Idea Cellular employee had contributed an amount of Rs 1.61 crore during FY 2014-15. Idea identifies a noble cause and provides opportunities to an individual to be a part of this philanthropic activity by way of contribution. Under this initiative during FY 2014-15, Idea collaborated with AWO Foundation. The foundation aim to bridge the gap between aspiration and qualification by providing timely financial assistance to deserving and capable but economically-challenged youths. At Idea we believe that Education enables and empowers the human mind; breaks social barriers; uplifts communities and makes this world a better place. To support the good initiative of AWO, Idea Cellular employee had contributed an amount of Rs 1.61 crore during FY 2014-15
- **Joy of Giving Week (JGW):** Idea employees participated in the nation-wide "Joy of Giving week" initiative. We at Idea are humbled to associate ourselves with a noble initiative of JGW for the 4 years in continuity. In the FY 2014-15 Idea associated with this cause and drove the JGW under the banner "Daan Utsav Week" for Jammu and Kashmir Flood Relief coordinated by Goonj (NGO). During the drive 242 carton of relief material like

good quality blankets, woolens, dry ration, utensils, water purifier tablets, tarpaulins, used flex and monetary were collected. A sum of Rs 13.4 Lakhs was also collected as monetary contribution from Idea family towards Jammu and Kashmir Flood Relief initiative

- **As Green initiatives:** Idea has been actively involved in spreading, preaching and practicing going the green way. Idea has always been sensitive to environmental impact & is in the fore front of adopting environmental sustainable practices whenever such opportunities were available. Idea has always been open to adopting commercially viable models which offered business benefit to stakeholders and also environmental benefits & protection. We have also started use of solar energy to reduce carbon emission.
- **Aditya Birla Group Fellowship with “Teach for India”** is looking for our nation’s most outstanding young people (less than 35 years old) to redefine what teaching is and what is possible for underprivileged children to achieve in the classroom, and impact inequity from all sectors throughout their careers. Two employees both from Idea Cellular were selected.
- Idea from time to time associates with different NGOs to cater to various needs of the less privileged and specific causes. Circle Teams of Idea does several activities like blood donation camps, tree plantation, visits to local NGOs etc. Idea also engages with well-established and recognized programs and national platforms such as the CII, FICCI, ASSOCHAM etc. given their commitment to inclusive growth. Number of initiatives are undertaken at the unit level to participate in supporting various causes for underprivileged in our society.

3. *Have you done any impact assessment of your initiative?*

In order to measure the impact of its CSR projects, the Aditya Birla Centre for Community Initiatives and Rural Development engages external agencies to conduct a social satisfaction surveys and audit.

4. *What is your company’s direct contribution to community development projects - Amount in INR and the details of the projects undertaken?*

As an Aditya Birla Group company, Idea actively contributes to the Group’s CSR activities and has continued to do so during the reporting period. The CSR

projects undertaken fall under the broad focus areas of infrastructure development, health care, sustainable livelihood, and education.

5. *Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.*

As part of its focus on rural penetration, Idea has developed mobile applications for the rural population and provides employment opportunities to rural youth through initiatives such as ‘Son of Soil’, as described in detail under Principle 8. Providing affordable telecommunication access to rural population is Idea’s contribution to sustainable development in India.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Idea believes that customers form the foundation of its business success. The company’s focus on customers is based on its Value Book highlights the need for timely responding to its internal and external customers; adopting to strive to finish before a deadline and to choose the best rhythm to optimize organizational efficiencies.

To fulfill the Company’s mission “We will delight our customers while meeting their individual communication needs anytime anywhere”, it constantly endeavors to meeting customer needs, adding value and exceeding their expectations. The Company strongly believes in being ethical about its operations with customers. Hence, it engages with its customers in a transparent manner by displaying all the tariff plans on the web in an unambiguous manner. This information is easily accessible to customers either by telecom circle or by package. Idea addresses its customers’ need to be constantly updated about their usage through instantaneous pop-up messages informing them about their data consumption and balance left. The Company also installs its network devices in a way that maintains data integrity, confidentiality and availability while preventing unauthorized use of confidential data.

Idea always focuses on meeting and exceeding customer needs. Some innovative initiatives in this regard include a quick and easy way of ‘Electronic top-up’ for recharging accounts, camps in rural areas for providing education on mobile, and provision of customer care services in vernacular languages. Idea has also introduced several value-added services (VAS) focusing on education, health and family care for rural population. At urban locations, kiosks are set up at select My Ideas (Service Centers) to create awareness about 3G services that the Company offers.

In order to service customers better and to bring in stronger governance in Store operations, concept of company owned

company operated neighborhood stores was introduced. In 2015, a revamped model for these Company Retail Stores was put in place. Currently, we have over 41 company operated large format stores across the country.

Customer satisfaction is of prime importance to the Company. A customer satisfaction (C-SAT) study is conducted thrice a year in order to track the quality of customer experience with company's product and services and to benchmark the company's performance with respect to its competitors. Idea attained first rank in customer satisfaction in FY 2014. Over the past one year, focused activities were taken up to retain and strengthen Idea's customer relationships which have resulted in Idea retaining its first rank, jointly, as on March 2015. Further, with a view of creating an outward looking and customer centric organizational culture, Net Promoter Score has been introduced as a measure. Idea ranked a clear No. 2 in March 2014. With directed efforts towards customer delight, Idea has managed to achieve a clear NPS rank 1 in March 2015.

Idea acknowledges the needs of 3G customers through conducting focused diagnostic study amongst these customers to understand and address their specific network, product, communication and service expectations. Idea's Loyalty segment customers too are covered through a similar program.

Idea also conducts other consumer satisfaction surveys such as 'Customer Life Cycle Experience Audits', 'Mystery Audits at Service Centers', 'National Enterprise Business (NEB) Satisfaction Study', and 'Franchisee Satisfaction Survey' during the course of the year to get customer feedback and undertake corrective actions and initiatives. With increasing footprint in the Enterprise business, Idea carries out focused studies amongst decision makers and users of all Enterprise segments, to address their needs.

With a view to inculcate high velocity feedback programs, Idea has also started an in-house call centre experience feedback program amongst its select Service+ segment customers, aimed at driving continuous and systemic improvements through regular feedback loops.

Idea has an additional feedback taken from customers on a daily basis is Instant Customer Feedback (ICF) wherein, an SMS is sent to customers seeking feedback on the quality of service provided to him after he / she has contacted any of the company's touch points. This on-going Instant feedback from customers helps in improving the company's processes.

After the surveys are completed, the results are presented to the senior management team and detailed action plans are prepared specific to all the concerned functions. The same are tracked at periodic intervals to ensure that the execution meets the planning requirements leading to higher customer satisfaction.

SEBI – BRR Questionnaire Responses for Principle 9:

1. *What percentage of customer complaints/ consumer cases is pending as on the end of financial year?*

Out of the total calls received by the company from customers, approximately 1% are related to complaints. 0.6% of the total complaints received during FY14 were in an open stage as on March 31, 2015. The rest were closed satisfactorily.

2. *Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A /Remarks*

The Company adheres to all product labeling and product information requirements as per the law of the land. Transparency in tariff through detailed plans being available on the website for consumers and focus on responsible advertising is the hallmark of Idea.

3. *Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.*

There are no cases pending in relation to unfair trade practices, irresponsible advertising and/or anti-competitive behavior. However, dissatisfied subscribers of the Company generally file their cases in consumer protection forums for alleged deficiency in expected level of service by the Company, in the normal course of business, which the Company defends appropriately. Some of these cases are pending with such forums.

4. *Did your company carry out any consumer survey/ consumer satisfaction trends?*

Idea conducts a C-SAT survey thrice a year as well as other assessment surveys such as 'Customer Life Cycle Experience Audits', 'Mystery Audits at Service Centers', 'National Enterprise Business (NEB) Satisfaction Study', and 'Franchisee Satisfaction Survey'.

Independent Auditors' Report

To the Members of
Idea Cellular Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of IDEA CELLULAR LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 32 (i) to the financial statements. The Department of Telecommunication (DoT) has issued demand notices dated 8th January 2013 towards one time spectrum charges for spectrum held by the Company beyond 6.2 Mhz for the period from 1st July 2008 to 31st December 2012 amounting to ₹ 3,691.30 Million and beyond 4.4 Mhz for the period from 1st January 2013 till the expiry of the license amounting to ₹ 17,443.70 Million in the respective telecom service areas. In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. The Company therefore filed a petition before the Hon'ble High Court of Bombay, which has directed DoT, not to take any coercive action until the matter is further heard.

The financial impact of the abovementioned matter is dependent upon the outcome of the petition filed by Company in the Hon'ble High Court of Bombay and therefore no effect for the one time spectrum charges has been given in these financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015

taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – 32 (i) & (iii) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Khurshed Pastakia
(Partner)
(Membership No. 31544)

Place : Mumbai
Date : 28th April, 2015

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to information and explanation given to us the Management is in the process of reconciling the results of such physical verification with the fixed assets register. Management believes that differences if any, arising out of such reconciliation are not expected to be material.
2. In respect of its inventory:
 - a) As explained to us, the inventories, except for those lying with the third parties, were physically verified during the year by the Management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, having regard to explanation that certain items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the rendering of services. During the course of our audit, we have not observed any major weakness in such internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under are applicable.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax / Sales Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. As explained to us, the Company did not have any dues on account of Excise duty and Investor Education and Protection Fund.
 - b) There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax / Sales Tax, Cess and other material statutory dues in arrears, as at 31st March 2015 for a period of more than six months from the date they became payable.
 - c) There are no amounts that are due to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
 - d) There are no dues of Wealth Tax and Cess which have not been deposited on account of any dispute. Details of dues of Income Tax, Sales Tax, Service Tax, Customs duty and Entry Tax which have not been deposited as on 31st March 2015 by the Company on account of disputes are given below:

Name of the Statute	Nature of Dues	Period to which the amount pertains	Amount (₹ Mn)	Forum where the dispute is pending
Customs Act, 1962	Custom Duty	2003-04	7.12	Customs Excise & Service Tax Appellate Tribunal
Haryana Land Development Tax Act, 2001	Entry Tax	2002-03	9.52	State Tax Tribunal
Himachal Pradesh Entry Tax Act, 2010	Entry Tax	2010-15	56.77	Asst. Excise & Taxation Commissioner
Karnataka Tax on Entry of Goods Act, 1979	Entry Tax	2004-05	8.92	High Court of Karnataka
MP Entry Tax Act, 1976	Entry Tax	1998-01	0.13	Asst. Commissioner, Entry Tax
MP Entry Tax Act, 1976	Entry Tax	2001-06	6.51	State Tax Tribunal
MP Entry Tax Act, 1976	Entry Tax	2007-09, 2012-13	23.48	Deputy Commissioner (Appeals)
MP Entry Tax Act, 1976	Entry Tax	1998-01, 2003-04, 2005-12	137.37	Madhya Pradesh High Court
Rajasthan Tax On Entry Of Goods Into Local Areas Act, 1999	Entry Tax	2008-11, 2012-14	35.69	Supreme Court
The Bihar Value Added Tax Act, 2005	Entry Tax	2010-12	1.06	Joint Commissioner (Appeals)
The Jammu & Kashmir Entry Tax on Goods Act, 2000	Entry Tax	2009-13	77.42	Srinagar High Court
The Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry Tax	2007-08	2.03	State Tax Tribunal
The Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry Tax	1999-00, 2001-05, 2006-07, April 2007 to December 2007	8.63	High Court Allahabad
The Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry Tax	January 2008 to March 2008	4.16	State Tax Tribunal
Uttar Pradesh Trade Tax Act, 1948	Entry Tax	2005-06	0.17	Additional Commissioner (Appeals)
Uttar Pradesh Trade Tax Act, 1948	Entry Tax	2008-10	5.17	High Court Allahabad
Uttar Pradesh Trade Tax Act, 1948 (UTTRAKHAND AMENDEMENT)	Entry Tax	2001-04	0.57	High Court Nainital
Orissa Entry Tax Act, 1999	Entry Tax	November 2008 to October 2009	5.20	Supreme Court
Income Tax Act, 1961	Income Tax	2001-15	53,082.85	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2010-13	10.45	Deputy Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	2007-10	0.32	High Court Gujarat
Income Tax Act, 1961	Income Tax	2001-02	1.38	High Court of Karnataka
Income Tax Act, 1961	Income Tax	2003-05, 2006-12	126.94	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2007-09	0.09	Income Tax Officer
Central Sales Tax Act, 1956	Sales Tax	2011-12	0.09	Commissioner of Commercial Taxes (Appeals)
Central Sales Tax Act, 1956	Sales Tax	2008-09, 2010-11	5.39	Deputy Commissioner, Sales Tax
Gujarat Sales Tax Act, 1969	Sales Tax	April 2006 to December 2006	0.83	Assessing Officer
Gujarat Sales Tax Act, 1969	Sales Tax	1998-02	7.04	State Tax Tribunal
Kerala Sales Tax Act, 1963	Sales Tax	1997-98	0.05	State Tax Tribunal
Kerala Sales Tax Act, 1963	Sales Tax	1998-99	0.06	Deputy Commissioner, Sales Tax
Madhya Pradesh Commercial Tax Act, 1994	Sales Tax	2000-01	0.31	CG Appellate Board
Madhya Pradesh Commercial Tax Act, 1994	Sales Tax	2003-11	25.96	State Tax Tribunal
Madhya Pradesh Commercial Tax Act, 1994	Sales Tax	2011-13	6.96	Deputy Commissioner (Appeals)
Maharashtra Value Added Tax Act, 2002	Sales Tax	2008-09	308.42	Deputy Commissioner, Sales Tax
The Bihar Value Added Tax Act, 2005	Sales Tax	2008-09, 2010-13	16.48	State Tax Tribunal
The Bihar Value Added Tax Act, 2005	Sales Tax	2009-10, 2013-14	5.55	Joint Commissioner (Appeals)
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2005-06, 2008-10	0.59	Joint Commissioner (Appeals)
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2012-14	3.86	Assessing Officer
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2007-08	0.58	State Tax Tribunal
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	2009-12, April 2013 to August 2013	8.79	Additional Commissioner (Appeals)

Name of the Statute	Nature of Dues	Period to which the amount pertains	Amount (₹ Mn)	Forum where the dispute is pending
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	April 2012 to July 2012	1.54	Deputy Commissioner, Sales Tax
Delhi Value Added Tax Act, 2004	Sales Tax	2007-08	11.84	State Tax Tribunal
The Jammu & Kashmir General Sales Tax Act, 1962	Sales Tax	2009-15	299.80	Srinagar High Court
Kerala VAT Act, 2003	Sales Tax	2011-12	1.38	Asst. Commissioner, Sales Tax
Kerala VAT Act, 2003	Sales Tax	2005-06, 2009-10, 2012-15	1.12	Intelligence Officer
The West Bengal Value Added Tax Act, 2003	Sales Tax	2011-12	0.65	Commissioner of Commercial Taxes (Appeals)
The Finance Act, 1994	Service Tax	2005-07, April 2007 to July 2007, 2008-10	4.27	Commissioner of Central Excise & Service Tax (Appeals)
The Finance Act, 1994	Service Tax	April 2004 to December 2008	58.82	Commissioner of Service Tax
The Finance Act, 1994	Service Tax	2003-12	703.38	Customs Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	2006-08, October 2008 to September 2009, October 2009 to February 2010, October 2011 to June 2012	533.74	High Court Mumbai
The Finance Act, 1994	Service Tax	October 1998 to March 1999, April 2002 to September 2002, 2004-07	12.54	Punjab and Haryana High Court

8. The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.

12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

Khurshed Pastakia
Partner
(Membership No. 31544)

Place : Mumbai
Date : 28th April, 2015

Balance Sheet as at March 31, 2015

₹ Mn

Particulars	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	35,978.44	33,196.32
Reserves and Surplus	4	182,922.98	122,647.21
		218,901.42	155,843.53
Non-Current Liabilities			
Long-Term Borrowings	5	160,064.86	171,438.77
Deferred Tax Liabilities (Net)	6	16,090.76	15,310.49
Other Long-Term Liabilities	7	11,748.94	13,972.73
Long-Term Provisions	8	2,820.65	2,167.05
		190,725.21	202,889.04
Current Liabilities			
Short-Term Borrowings	9	1,513.94	6,093.55
Trade Payables (including amounts referred to in Note 41, 43 & 46)		29,701.78	26,343.67
Other Current Liabilities	10	132,927.38	46,848.70
Short-Term Provisions	11	2,988.68	1,865.05
		167,131.78	81,150.97
TOTAL		576,758.41	439,883.54
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	178,980.47	182,967.23
Intangible Assets	12	142,158.59	77,273.92
Capital Work-in-Progress	12	50,794.46	113,801.23
Non-Current Investments	13	16,466.07	16,412.07
Long-Term Loans and Advances	14	38,906.69	28,292.27
		427,306.28	418,746.72
Current Assets			
Current Investments	15	111,675.00	—
Inventories	16	582.98	487.38
Trade Receivables	17	9,321.90	7,696.89
Cash and Bank Balances	18	15,419.38	1,395.32
Short-Term Loans and Advances	19	11,391.22	11,522.58
Other Current Assets	20	1,061.65	34.65
		149,452.13	21,136.82
TOTAL		576,758.41	439,883.54
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered AccountantsKhurshed Pastakia
Partner
Membership No.: 31544Place : Mumbai
Date : April 28, 2015

For and on behalf of the Board

Arun Thiagarajan
DirectorAkshaya Moondra
Chief Financial OfficerGian Prakash Gupta
DirectorPankaj Kapdeo
Company SecretaryHimanshu Kapania
Managing Director

Statement of Profit and Loss for the year ended March 31, 2015

₹ Mn

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Service Revenue		312,520.70	261,104.00
Other Operating Income	21	274.01	690.69
Revenue From Operations		312,794.71	261,794.69
Other Income	22	4,523.37	2,239.58
TOTAL		317,318.08	264,034.27
OPERATING EXPENDITURE			
Personnel Expenditure	23	13,587.28	11,610.12
Network Expenses and IT outsourcing cost	24	82,886.64	74,745.37
License Fees and Spectrum Usage Charges	25	35,351.47	29,237.98
Roaming and Access Charges	26	47,313.23	41,615.64
Subscriber Acquisition and Servicing Expenditure	27	25,038.29	20,905.58
Advertisement and Business Promotion Expenditure		4,929.13	4,616.55
Administration and other Expenses	28	6,954.55	6,206.64
		216,060.59	188,937.88
PROFIT BEFORE FINANCE CHARGES, DEPRECIATION, AMORTISATION AND TAXES		101,257.49	75,096.39
Interest and Finance Charges	29	9,316.58	8,111.14
Depreciation	12	41,434.95	34,622.71
Amortisation of Intangible Assets	12	7,115.13	6,309.73
PROFIT BEFORE TAX		43,390.83	26,052.81
Provision for Taxation - Current		14,530.99	5,434.11
- Deferred		780.27	5,079.31
- MAT Credit		(18.78)	(1,353.67)
PROFIT AFTER TAX		28,098.35	16,893.06
Earnings Per Share of ₹ 10/- each fully paid up (in ₹)	51		
Basic		7.94	5.09
Diluted		7.91	5.08
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered AccountantsKhurshed Pastakia
Partner
Membership No.: 31544Place : Mumbai
Date : April 28, 2015

For and on behalf of the Board

Arun Thiagarajan
DirectorAkshaya Moondra
Chief Financial OfficerGian Prakash Gupta
DirectorPankaj Kapdeo
Company SecretaryHimanshu Kapania
Managing Director

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Idea Cellular Limited ('the Company'), an Aditya Birla Group company, is currently the third largest pan India telecom service provider in India. The Company is engaged in the business of Mobility and Long Distance services.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements:

The Financial Statements have been prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Schedule III to the Companies Act, 2013.

b) Fixed Assets:

Fixed assets are stated at cost of acquisition and installation less accumulated depreciation / amortisation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, levies, any directly attributable cost incurred for bringing the assets to their working condition for intended use and borrowing cost attributable to fixed assets which take substantial period of time to get ready for intended use.

Asset retirement obligations are capitalised based on a constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Such costs are depreciated over the remaining useful life of the asset.

Gains and Losses arising from retirement or disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss on the date of retirement or disposal.

c) Expenditure during pre-operative period of license:

Expenses incurred on project and other charges during construction period are included under pre-operative expenditure (grouped under capital work-in-progress) and are allocated to the cost of Fixed Assets on the commencement of commercial operations.

d) Depreciation and Amortisation:

Depreciation on tangible fixed assets is provided using straight line method on pro rata basis over their estimated useful economic lives as given below. The useful life is taken as prescribed in Schedule II to the Companies Act, 2013 except where the estimated useful economic life has been assessed to be lower based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset, and manufacturers warranties, maintenance and support period, etc.

Tangible Assets	Years
Buildings	9 to 30
Network Equipments	7 to 13
Optical Fibre	15
Other Plant and Machineries	5
Office Equipments	3 to 5
Computers	3
Furniture and Fixtures	3 to 10
Motor Vehicles	upto 5
Leasehold improvements	Period of Lease
Leasehold Land	Period of Lease

Intangible Assets are amortised on straight line method as under:-

- Cost of Rights, Licenses amounts (including amounts paid on fixed basis prior to revenue share regime) and amount paid for Spectrum is amortised on straight line method on commencement of operations over the validity period.
- Software, which is not an integral part of hardware, is treated as an intangible asset and is amortised over its useful economic life as estimated by the management between 3 to 5 years.
- Bandwidth / Fibre taken on Indefeasible Right of Use (IRU) is amortised over the agreement period.

Assets costing upto Rs. 5,000/- are depreciated fully in the month of purchase.

e) Inventories:

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis.

f) Foreign currency transactions, forward contracts & other Derivatives:

i) Foreign currency transactions:

Transactions in foreign currency are recorded at the exchange rates prevailing at the date of the transactions. As per the transitional provisions given in the notification issued by Ministry of Corporate Affairs dated March 31, 2009, the company has opted for the option of adjusting the exchange difference on long term foreign currency monetary items to the cost of the assets acquired out of these foreign currency monetary items. The company has aligned its accounting policy based on this notification and its further amendment.

Exchange difference arising out of fluctuation in exchange rates on settlement / period end is accounted based on the nature of transaction as under:

- Short term foreign currency monetary assets and liabilities: recognised in the Statement of Profit and Loss.

Notes forming part of the Financial Statements

- Long term foreign currency monetary liabilities used for acquisition of fixed assets: adjusted to the cost of the fixed assets and amortised over the remaining useful life of the asset.
- Other Long term foreign currency monetary liabilities: recognised in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the period of liability not exceeding March 31, 2020.

ii) Forward contracts & other Derivatives:

Premium / discount amount on forward contract is amortised on period basis related to the contract it pertains to, profit or loss arising on cancellation of forward exchange contract is recognised in the period in which the contract is cancelled.

Derivative contracts not covered under Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates", entered for hedging foreign currency fluctuations and interest rate risk are marked to market at each reporting date. Loss, if any, on such valuation is recognised in the Statement of Profit and Loss in that period and gain, if any, is not recognised as per the principle of prudence enunciated in Accounting Standard 1, "Disclosure of Accounting Policies".

g) Taxation:

- i) **Current Tax:** Provision for current income tax is made on the taxable income using the applicable tax rates and tax laws. Advance Income Tax and Provision for Current Tax is disclosed in the balance sheet at net as these are settled on net basis.
- ii) **Deferred Tax:** Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is virtual certainty with respect to the reversal of the same in future years.
- iii) **Minimum Alternate Tax (MAT) credit:** MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

h) Retirement Benefits:

Contributions to Provident and Pension funds are funded with the appropriate authorities and charged to the Statement of Profit and Loss.

Contributions to Superannuation are funded with the Life Insurance Corporation of India and charged to the Statement of Profit and Loss.

Liability for Gratuity as at the year end is provided on the basis of actuarial valuation and funded with the Life Insurance Corporation of India.

Provision in accounts for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the period end.

i) Revenue Recognition and Receivables:

Revenue on account of telephony services (mobile & long distance) is recognised net of rebates, discount, service tax, etc. on rendering of services and supply of goods respectively. Recharge fees on recharge vouchers is recognised as revenue as and when the recharge voucher is activated by the subscriber.

Revenue from passive infrastructure is recognised on accrual basis (net of reimbursements) as per the contractual terms on straight line method over the contract period.

Unbilled receivables, represent revenues recognised from the bill cycle date to the end of each month. These are billed in subsequent periods as per the agreed terms.

Debts (net of security deposits outstanding there against) due from subscribers, which remain unpaid for more than 90 days from the date of bill and/or other debts which are otherwise considered doubtful, are provided for.

Provision for doubtful debts on account of interconnect usage charges (IUC), roaming charges and passive infrastructure sharing from other telecom operators is made for dues outstanding more than 180 days from the date of billing other than cases when an amount is payable to that operator or in specific case when management is of the view that the amount is recoverable.

j) Interest and Dividend Income:

Interest income is recognised on accrual basis on the outstanding amount and applicable interest rate. Dividend income is accounted for when the right to receive it is established.

k) Investments:

Current Investments are stated at lower of cost or fair value in respect of each separate investment. Gain on sale of current investment is accounted on actual sale of investment and loss, if any, is accounted for as soon as it is ascertained.

Long-term Investments are stated at cost less provision for diminution in value other than temporary, if any.

Notes forming part of the Financial Statements

l) Borrowing Cost:

Interest and other costs incurred in connection with the borrowing of funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalised with the fixed assets.

m) License Fees – Revenue Share:

With effect from August 1, 1999 the variable license fee computed at prescribed rates of revenue share is being charged to the Statement of Profit and Loss in the period in which the related revenue arises. Revenue for this purpose comprises adjusted gross revenue as per the license agreement of the license area to which the license pertains.

n) Use of Estimate:

The preparation of financial statements in conformity with generally accepted accounting principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Differences between actual results and estimates are recognised in the periods in which the results are known / materialised.

o) Leases:

i) **Operating Lease:** Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor is classified as operating lease. Lease payment / income for / from an operating lease is recognised as expense / income in the Statement of Profit and Loss, on a straight line or other systematic basis over the lease term respectively.

ii) **Finance Lease:** Leased assets acquired on which significant risks and rewards of ownership effectively transferred to the Company are capitalised at lower of fair value or the amounts paid under such lease arrangements. Such assets are amortised over the period of lease or estimated life of such assets whichever is less.

p) Earnings Per Share:

The earnings considered in ascertaining the Company's

Earnings Per Share (EPS) comprise of the net profit after tax, after reducing dividend on Cumulative Preference Shares for the period (irrespective of whether declared, paid or not), as per Accounting Standard 20 on "Earnings Per Share". The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

q) Impairment of Assets:

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in accordance with Accounting Standard 28 on "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in use. For the purpose of impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

r) Provisions and Contingent Liability:

Provisions are recognised when the Company has a present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

s) Issue Expenditure:

Expenses incurred in connection with issue of equity shares are adjusted against Securities Premium Account.

t) Employee Stock Option:

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the intrinsic value of the option is treated as discount and accounted as employee compensation cost over the vesting period.

In respect of re-pricing of existing stock option, the incremental intrinsic value of the option is accounted for as employee cost over the remaining vesting period.

Notes forming part of the Financial Statements

3 SHARE CAPITAL

a) Authorised, Issued, Subscribed and Paid-up Share Capital:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Numbers	₹ Mn	Numbers	₹ Mn
Authorised				
Equity Shares of ₹ 10 each	6,775,000,000	67,750.00	6,775,000,000	67,750.00
Redeemable Cumulative Non-Convertible Preference Shares of ₹ 10 Mn. each	1,500	15,000.00	1,500	15,000.00
	6,775,001,500	82,750.00	6,775,001,500	82,750.00
Issued, Subscribed and Paid-Up				
Equity Share Capital				
Equity Shares of ₹ 10 each fully Paid-up	3,597,844,427	35,978.44	3,319,631,761	33,196.32
Total	3,597,844,427	35,978.44	3,319,631,761	33,196.32

(i) Out of the above, 199,153,469 Equity Shares are allotted as fully paid up under the Scheme of amalgamation of Spice Communications Limited without payment being received in cash. Spice Communications Limited was merged with the company effective March 1, 2010.

b) Reconciliation of the number of Shares outstanding:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Numbers	₹ Mn	Numbers	₹ Mn
Equity shares outstanding at the beginning of the year	3,319,631,761	33,196.32	3,314,321,766	33,143.22
Equity shares allotted pursuant to exercise of ESOP	2,493,529	24.93	5,309,995	53.10
Qualified Institutional Placement (QIP) and Preferential Allotment of Equity shares (Refer Note 31)	275,719,137	2,757.19	-	-
Equity shares outstanding at the end of the year	3,597,844,427	35,978.44	3,319,631,761	33,196.32

c) Rights attached to Equity Shares:

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Shareholders' holding more than 5% shares of the Company:

Name of Shareholder	Class of Shares	As at March 31, 2015		As at March 31, 2014	
		Numbers	%age	Numbers	%age
Aditya Birla Nuvo Limited	Equity Shares	837,526,221	23.28%	837,526,221	25.23%
Birla TMT Holdings Private Limited	Equity Shares	283,565,373	7.88%	283,565,373	8.54%
Grasim Industries Limited	Equity Shares	171,013,894	4.75%	171,013,894	5.15%
Hindalco Industries Limited	Equity Shares	228,340,226	6.35%	228,340,226	6.88%
P5 Asia Investments (Mauritius) Limited	Equity Shares	245,000,000	6.81%	330,000,000	9.94%
Axiata Investments 2 (India) Limited	Equity Shares	247,265,873	6.87%	195,427,333	5.89%
Axiata Investments 1 (India) Limited	Equity Shares	464,734,670	12.92%	464,734,670	14.00%

Notes forming part of the Financial Statements

e) Share Options granted under the Employee Stock Option Schemes:

The Company has granted stock options under the Employee Stock Option Scheme (ESOS) 2006 and stock options as well as Restricted Stock Units (RSU's) under ESOS 2013 to its eligible employees from time to time. These Options would vest in 4 equal annual installments after one year of the grant and the RSU's will vest after 3 years from the date of grant. The maximum period for exercise of Options and RSUs is 5 years from the date of vesting. Each Option and RSU when exercised would be converted into one fully paid-up equity share of ₹ 10/- of the Company. The Options granted under ESOS 2006 and Options as well as RSUs granted under the ESOS 2013 scheme carry no rights to dividends and no voting rights till the date of exercise. As at the end of financial year, details of outstanding options are as follows:

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
i) Options granted under ESOS 2006				
Options outstanding at the beginning of the year	7,344,086	51.06	12,757,580	50.44
Options granted during the year	-	-	-	-
Options forfeited / lapsed during the year	29,250	68.86	75,749	61.49
Options exercised during the year	2,453,513	49.53	5,309,995	49.48
Options expired during the year	9,750	45.55	27,750	39.30
Options outstanding at the end of the year	4,851,573	51.74	7,344,086	51.06
Options exercisable at the end of the year	4,851,573	51.74	6,779,520	49.58
Range of exercise price of outstanding options (₹)	39.30 - 68.86		39.30 - 68.86	
Remaining contractual life of outstanding options (years)	0.31 - 4.82		0.31 - 5.82	
ii) Options granted under ESOS 2013				
Options outstanding at the beginning of the year	18,565,428	126.45	-	-
Options granted during the year	559,677	150.10	18,565,428	126.45
Options forfeited / lapsed during the year	427,809	126.45	-	-
Options exercised during the year	40,016	126.45	-	-
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	18,657,280	127.16	18,565,428	126.45
Options exercisable at the end of the year	4,494,393	126.45	-	-
Range of exercise price of outstanding options (₹)	126.45 - 150.10		126.45	
Remaining contractual life of outstanding options (years)	4.87 - 8.75		5.87 - 8.87	
iii) RSU's granted under ESOS 2013				
Options outstanding at the beginning of the year	8,105,587	10.00	-	-
Options granted during the year	254,499	10.00	8,105,587	10.00
Options forfeited / lapsed during the year	199,978	10.00	-	-
Options exercised during the year	-	-	-	-
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	8,160,108	10.00	8,105,587	10.00
Options exercisable at the end of the year	-	-	-	-
Range of exercise price of outstanding options (₹)	10.00		10.00	
Remaining contractual life of outstanding options (years)	6.87 - 7.75		7.87	

Notes forming part of the Financial Statements

₹ Mn

Particulars		As at March 31, 2015	As at March 31, 2014
4	RESERVES AND SURPLUS		
	a) Debenture Redemption Reserve		
	Balance at the beginning of the year	238.30	93.15
	Add: Transfer from Statement of Profit and Loss	103.48	145.15
	Balance at the end of the year	341.78	238.30
	b) Securities Premium Account		
	Balance at the beginning of the year	69,014.71	68,711.47
	Add: Premium on issue of shares allotted pursuant to exercise of ESOP	147.13	303.24
	Add: Premium on QIP and Preferential Allotment of equity shares (Net of share issue expenses of ₹ 252.63 Mn.)	34,490.18	-
	Balance at the end of the year	103,652.02	69,014.71
	c) Outstanding Employee Stock Options		
	Balance at the beginning of the year	163.67	214.19
	Add: Charge for the year (Refer Note 42)	313.29	43.07
	Less: Transfer to Securities Premium Account on exercise of Options	45.47	93.59
	Balance at the end of the year	431.49	163.67
	d) General Reserve		
	Balance at the beginning and end of the year	20,863.21	20,863.21
	e) Surplus in Statement of Profit and Loss		
	Balance at the beginning of the year	32,367.32	17,173.77
	Add: Profit during the year	28,098.35	16,893.06
	Less: Transfer to Debenture Redemption Reserve	103.48	145.15
	Less: Proposed Dividend * (Refer Note 53)	2,269.43	1,328.57
	Less: Dividend Distribution Tax on Proposed Dividend * (Refer Note 53)	458.28	225.79
	Balance at the end of the year	57,634.48	32,367.32
	Total	182,922.98	122,647.21

* Proposed Dividend includes ₹ 110.72 Mn. (Previous year ₹ 0.72 Mn.) and Dividend Distribution Tax on proposed dividend includes ₹ 18.82 Mn. (Previous year ₹ 0.12 Mn.) which is paid in the current financial year related to previous financial year for shares issued after balance sheet date and before record date of dividend.

Notes forming part of the Financial Statements

		₹ Mn	
Particulars		As at March 31, 2015	As at March 31, 2014
5	LONG TERM BORROWINGS		
	SECURED LOANS		
	396 (Previous year 471) 9.45% Redeemable Non Convertible Debentures (NCD) of ₹ 10 Mn. each	3,960.00	4,710.00
	(Out of the 1,000 NCDs issued originally, the Company has re-purchased 604 NCDs of ₹ 10 Mn. each, aggregating to ₹ 6,040 Mn. with an option to re-issue the same in future)		
	Term Loans		
	Foreign Currency Loan		
	- From Others	44,142.92	51,078.20
	Rupee Loan		
	- From Banks	11,625.00	14,187.78
	- From Others	2,000.00	2,666.67
	Vehicle Loan from Banks	288.89	288.46
	Total	62,016.81	72,931.11
	UNSECURED LOANS		
	Term Loans		
	Foreign Currency Loan		
	- From Banks	4,506.54	11,089.49
	Deferred Payment Liabilities towards Spectrum	93,541.51	87,418.17
		98,048.05	98,507.66
	Total	160,064.86	171,438.77

a) Secured Loans are covered by:

Term Loans including current maturities are secured by way of first charge / assignment ranking pari-passu inter se the lenders, as under:

- First charge on all the movable and immovable properties of the Company respectively,
- First charge over all intangible assets (excluding Telecom Licenses and Spectrum) of the Company,
- Assignment of the rights, titles and interest, on deposits, investments, bank accounts, book debts, insurance covers, other general assets, letters of credit and guarantees, provided in favour of the Company.

Out of the above Loan, Foreign Currency Loan amounting to ₹ Nil (Previous year ₹ 51,938.56 Mn.) additionally have pledge on 60% shareholding of Indus Towers Limited held by wholly owned subsidiary. Further Foreign Currency Loan amounting to ₹ 5,803.22 Mn. (Previous year ₹ 6,764.01 Mn.) & Rupee Loan amounting to ₹ Nil (Previous year ₹ 8,182.25 Mn.) included above, have additional security as first priority charge over certain Telecom Licenses also. NCD amounting to ₹ 3,960.00 Mn. (Previous year ₹ 4,710.00 Mn.) have paripassu charge only on the tangible fixed assets of the Company.

Vehicle Loans including current maturities is secured by hypothecation of Vehicles against which the loans have been taken.

b) Repayment Terms of outstanding long term borrowings (excluding current maturities) as on March 31, 2015

Repayment Terms for Secured Foreign Currency Borrowings

Facility 1 (₹ 8,928.05 Mn.) -

Tranche 1 - Balance amount is repayable in 7 equal half yearly installments starting September, 2016

Tranche 2 - Balance amount is repayable in 10 equal half yearly installments starting August, 2016

Facility 2 (₹ 6,084.71 Mn.) - Balance amount is repayable in 11 equal half yearly installments starting June, 2016

Facility 3 (₹ 4,674.75 Mn.) - Balance amount is repayable in 15 equal half yearly installments starting April, 2016

Facility 4 (₹ 7,111.12 Mn.) -

Tranche 1 - Balance amount is repayable in 8 equal half yearly installments starting April, 2016

Tranche 2 - Balance amount is repayable in 2 equal half yearly installments starting April, 2020

Notes forming part of the Financial Statements

Facility 5 (₹ 5,816.05 Mn.) - Balance amount is repayable in 11 equal half yearly installments starting May, 2016

Facility 6 (₹ 6,584.21 Mn.) -

Tranche 1 - Balance amount is repayable in 13 equal half yearly installments starting July, 2016

Tranche 2 - Balance amount is repayable in 11 equal half yearly installments starting July, 2016

Facility 7 (₹ 4,944.03 Mn.) - Balance amount is repayable as follows:

- 1) 13 equal quarterly installments of 4.13% each of the total drawn amount starting July, 2016
- 2) 4 equal quarterly installments of 4.75% each of the total drawn amount starting July, 2019

Repayment Terms for Secured INR Borrowings

Facility 1 (₹ 4,025.00 Mn.) - Balance amount is repayable in 4 equal quarterly installments starting June, 2016

Facility 2 (₹ 9,600.00 Mn.) - Balance amount is repayable in 8 equal quarterly installments starting June, 2016

NCDs (₹ 3,960.00 Mn.) - Repayable in October, 2019

Vehicle Loans are repayable in equal monthly installments over the term of the loan ranging from 2 to 4 years

Repayment Terms for Unsecured Foreign Currency Borrowings

Facility 1 (₹ 4,506.54 Mn.) - Balance amount is repayable in June, 2018

Repayment Terms for Deferred Payment Liability (DPL)

DPL for Spectrum won in November 2012 (₹ 13,454.82 Mn.) - Balance amount and interest thereon is repayable in 9 equated annual installments starting December, 2016.

DPL for Spectrum won in February 2014 (₹ 80,086.69 Mn.) - Balance amount and interest thereon is repayable in 10 equated annual installments starting March, 2017.

c) Summary of Repayment terms:

Particulars	₹ Mn		
	Loan repayable in		
	1 to 2 years	2 to 5 years	After 5 years
Secured	17,989.65	34,440.44	9,586.73
Unsecured	7,421.45	18,334.76	72,291.84
Total	25,411.10	52,775.20	81,878.57

Particulars	₹ Mn	
	As at March 31, 2015	As at March 31, 2014
6 DEFERRED TAX LIABILITIES		
Major components of Deferred Tax are:		
a) Deferred Tax Liability:		
Depreciation & Amortisation	18,617.39	17,473.57
Total Deferred Tax Liability (A)	18,617.39	17,473.57
b) Deferred Tax Asset:		
Provision for Doubtful Debts	1,241.52	1,205.95
Expenses allowable on Payment Basis	1,285.11	895.06
Others	-	62.07
Total Deferred Tax Asset (B)	2,526.63	2,163.08
Net Deferred Tax Liability (A - B)	16,090.76	15,310.49

Notes forming part of the Financial Statements

		₹ Mn	
	Particulars	As at March 31, 2015	As at March 31, 2014
7	OTHER LONG TERM LIABILITIES		
	a) Trade Payables	5,428.26	4,270.31
	b) Payables for Capital Expenditure	56.70	111.56
	c) Unearned Income	3,066.73	2,987.06
	d) Deposits from Customers and Others	2,057.55	5,566.25
	e) Interest accrued but not due	1,139.70	1,037.55
	Total	11,748.94	13,972.73
8	LONG TERM PROVISIONS		
	a) Gratuity (Refer Note 44)	1,237.21	811.58
	b) Compensated Absences	1,162.99	935.02
	c) Asset Retirement Obligation (Refer Note 52)	420.45	420.45
	Total	2,820.65	2,167.05
9	SHORT TERM BORROWINGS		
	a) SECURED LOANS		
	Working Capital Loan from Banks	49.87	5,982.05
	(Secured by way of second charge on movable and immovable assets of the company)		
	b) UNSECURED LOANS		
	Working Capital Loan from Banks	1,464.07	111.50
	Total	1,513.94	6,093.55
10	OTHER CURRENT LIABILITIES		
	a) Current Maturities of Long Term Debt *	97,175.38	16,084.15
	b) Interest accrued but not due on Borrowings	739.02	851.81
	c) Advance from Customers and Unearned Income	12,558.22	10,991.85
	d) Payables for Capital Expenditure	13,758.44	11,586.72
	e) Dividend Payable	1.44	0.64
	f) Book Bank Overdraft	137.22	154.51
	g) Taxes and Other Liabilities	8,557.66	7,179.02
	Total	132,927.38	46,848.70
	* Includes ₹ 76,475 Mn. to be prepaid in May 2015 out of ₹ 80,500 Mn. drawn in March 2015		
11	SHORT TERM PROVISIONS		
	a) Compensated Absences	110.08	93.63
	b) Current Tax [Net of Advance Tax of ₹ 8,831.24 Mn. (Previous year ₹ 5,216.21 Mn.)]	280.43	217.90
	c) Proposed Dividend	2,158.71	1,327.85
	d) Dividend Distribution Tax on Proposed Dividend	439.46	225.67
	Total	2,988.68	1,865.05

Notes forming part of the Financial Statements

12. FIXED ASSETS

A - TANGIBLE ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2014	Additions for the year ended March 31, 2015	Disposal / Adjustments for the year ended March 31, 2015	As at March 31, 2015	As at April 1, 2014	Additions for the year ended March 31, 2015	As at March 31, 2015	As at March 31, 2014
Freehold Land	116.89	0.75	1.59	116.05	-	-	116.05	116.89
Leasehold Land	11.26	768.31	-	779.57	3.25	8.03	768.29	8.01
Buildings	1,667.02	91.76	4.82	1,753.96	708.30	87.75	961.33	958.72
Plant & Machinery	327,829.76	36,387.24	3,768.11	360,448.89	147,033.58	40,828.14	176,006.72	180,796.18
Furniture & Fixtures	1,614.90	83.42	4.33	1,693.99	1,288.08	91.80	317.96	326.82
Office Equipment	3,611.94	171.38	106.77	3,676.55	3,404.23	126.03	250.63	207.71
Vehicles	1,397.96	333.09	236.90	1,494.15	845.06	293.20	559.49	552.90
TOTAL	336,249.73	37,835.95	4,122.52	369,963.16	153,282.50	41,434.95	178,980.47	182,967.23

Notes:

- Plant & Machinery includes assets held for disposal- Gross Block ₹ 735.20 Mn. (Previous year ₹ 265.03 Mn.) and Net Block ₹ 22.34 Mn. (Previous year ₹ 13.45 Mn.).
- Plant & Machinery includes Gross Block of assets capitalised under finance lease ₹ 13,875.22 Mn. (Previous year ₹ 12,520.40 Mn.) and corresponding Accumulated Depreciation being ₹ 9,466.60 Mn. (Previous year ₹ 8,846.80 Mn.).
- Exchange loss amounting to ₹ 1,181.69 Mn. (Previous year exchange loss ₹ 7,475.54 Mn.) capitalised as per transitional provisions of notification under AS-11, issued by the Ministry of Corporate Affairs.
- Depreciation charge for the year includes ₹ 5,450.45 Mn. (Previous year ₹ 5,685.80 Mn.) due to change in estimated useful life of certain fixed assets. Further, the depreciation charge for the year ending March 31, 2016 and 2017 would be higher by ₹ 5,738.48 Mn. and ₹ 2,646.67 Mn. respectively and that for years ending after March 31, 2017 would be lower by ₹ 13,835.60 Mn.

B - INTANGIBLE ASSETS

Particulars	Gross Block			Accumulated Amortisation			Net Block	
	As at April 1, 2014	Additions for the year ended March 31, 2015	Disposal / Adjustments for the year ended March 31, 2015	As at March 31, 2015	As at April 1, 2014	Additions for the year ended March 31, 2015	As at March 31, 2015	As at March 31, 2014
Entry/License Fees and Spectrum	103,239.17	70,784.98	-	174,024.15	33,315.22	6,147.38	134,561.55	69,923.95
Computer - Software	5,204.39	324.02	71.81	5,456.60	4,541.08	401.73	585.60	663.31
Bandwidth	8,097.86	890.80	-	8,988.66	1,411.20	566.02	7,011.44	6,686.66
TOTAL	116,541.42	71,999.80	71.81	188,469.41	39,267.50	7,115.13	142,158.59	77,273.92
Grand Total	452,791.15	109,835.75	4,194.33	558,432.57	192,550.00	48,550.08	321,139.06	260,241.15

Notes:

- Computer - Software include Gross Block of assets capitalised under finance lease ₹ 2,532.10 Mn. (Previous year ₹ 2,399.88 Mn.) and corresponding Accumulated Amortisation being ₹ 2,175.00 Mn. (Previous year ₹ 2,030.77 Mn.).
- The remaining amortisation period of license/ Spectrum fees as at March 31, 2015 ranges between 1 to 20 years based on the respective Telecom Service License / Spectrum validity period.

Capital Work in Progress (including ₹ 42,313.23 Mn. (Previous year ₹ 107,865.69 Mn.) towards spectrum and interest and is net of impairment provision of ₹ 4,844.60 Mn.)

50,794.46

1,113,801.23

Notes forming part of the Financial Statements

12. FIXED ASSETS

C- TANGIBLE ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block
	As at April 1, 2013	Additions for the year ended March 31, 2014	Disposal / Adjustments for the year ended March 31, 2014	As at March 31, 2014	Additions for the year ended March 31, 2014	Disposal / Adjustments for the year ended March 31, 2014	As at March 31, 2014
Freehold Land	92.53	24.36	-	116.89	-	-	116.89
Leasehold Land	11.26	-	-	11.26	0.24	-	8.01
Buildings	1,630.33	38.80	2.11	1,667.02	105.63	2.11	958.72
Plant & Machinery	288,368.08	40,351.12	889.44	327,829.76	34,014.06	744.79	180,796.18
Furniture & Fixtures	1,620.68	1.85	7.63	1,614.90	105.07	6.54	326.82
Office Equipment	3,541.71	109.38	39.15	3,611.94	139.22	34.02	207.71
Vehicles	1,232.51	370.91	205.46	1,397.96	258.49	190.39	552.90
TOTAL	296,497.10	40,896.42	1,143.79	336,249.73	34,622.71	977.85	182,967.23

D - INTANGIBLE ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block
	As at April 1, 2013	Additions for the year ended March 31, 2014	Disposal / Adjustments for the year ended March 31, 2014	As at April 1, 2013	Additions for the year ended March 31, 2014	Disposal / Adjustments for the year ended March 31, 2014	As at March 31, 2014
Entry/License Fees and Spectrum	103,239.17	-	-	103,239.17	5,334.50	-	69,923.95
Computer - Software	4,851.67	352.72	-	5,204.39	462.69	-	663.31
Bandwidth	7,392.93	704.93	-	8,097.86	512.54	-	6,686.66
TOTAL	115,483.77	1,057.65	-	116,541.42	6,309.73	-	77,273.92
Grand Total	411,980.87	41,954.07	1,143.79	452,791.15	40,932.44	977.85	260,241.15

Notes forming part of the Financial Statements

₹ Mn

	Particulars	As at March 31, 2015	As at March 31, 2014
13	NON CURRENT INVESTMENTS		
	Long-term Trade Investment (Unquoted) at Cost		
	Investments in Shares of Subsidiaries		
	Aditya Birla Telecom Limited 10,000,000 fully paid equity shares of ₹ 10 each	16,327.76	16,327.76
	Idea Cellular Infrastructure Services Limited 50,000 fully paid equity shares of ₹ 10 each	0.50	0.50
	Idea Mobile Commerce Services Limited 9,900,000 (Previous Year 4,500,000) fully paid equity shares of ₹ 10 each	99.00	45.00
	Idea Cellular Services Limited 50,000 fully paid equity shares of ₹ 10 each	0.50	0.50
	Idea Telesystems Limited 50,000 fully paid equity shares of ₹ 10 each	38.31	38.31
	Total	16,466.07	16,412.07
14	LONG TERM LOANS AND ADVANCES		
	(Unsecured, considered good unless otherwise stated)		
	a) Capital Advances (including amount referred to in Note 30)	19,585.61	103.27
	b) Deposits and balances with Government Authorities	409.66	381.63
	c) Deposits with Body Corporates and Others (including amount referred to in Note 46)	8,344.26	9,244.86
	d) MAT Credit Entitlement	5,841.49	11,242.04
	e) Advance Income Tax	1,534.95	1,016.10
	f) Other Loans and Advances (including amount referred to in Note 46 & 47)	3,190.72	6,304.37
	Total	38,906.69	28,292.27
15	CURRENT INVESTMENTS		
	Investment in Units of Liquid Mutual Funds (Unquoted) (Refer Note 40)	111,675.00	-
	Total	111,675.00	-
16	INVENTORIES		
	Sim and Recharge Vouchers	582.98	487.38
	Total	582.98	487.38

Notes forming part of the Financial Statements

		₹ Mn	
Particulars		As at March 31, 2015	As at March 31, 2014
17	TRADE RECEIVABLES		
	a) Billed Receivables		
	Unsecured - Considered Good		
	Outstanding for a period exceeding six months from due date	337.15	424.68
	Other Receivables	4,988.43	4,107.39
		5,325.58	4,532.07
	Unsecured - Considered Doubtful		
	Outstanding for a period exceeding six months from due date	3,175.45	3,218.51
	Other Receivables	411.94	329.44
		3,587.39	3,547.95
	Less: Provision for Doubtful Debts	3,587.39	3,547.95
		5,325.58	4,532.07
	Trade receivable are secured for amounts receivable from certain parties who have provided security deposits of ₹ 265.50 Mn. (Previous year ₹ 266.13 Mn.)		
	b) Unbilled Receivables	3,996.32	3,164.82
	Total	9,321.90	7,696.89
18	CASH AND BANK BALANCES		
	a) Cash and Cash Equivalents		
	Cash on hand	15.91	25.96
	Cheques on hand	76.57	173.55
	Balances with banks		
	- In Current Accounts	272.86	197.58
	- In Deposit Accounts	15,000.59	510.72
		15,365.93	907.81
	b) Other Bank Balances		
	Margin Money with Banks	52.01	486.87
	Earmarked Bank Balance towards Dividend	1.44	0.64
	Total	15,419.38	1,395.32
19	SHORT TERM LOANS AND ADVANCES		
	(Unsecured, considered good unless otherwise stated)		
	a) Advance Income Tax	3,180.71	3,155.99
	b) Deposits with Body Corporates and Others (including amount referred to in Note 46)	396.06	421.45
	c) Cenvat Credit	3,128.18	3,328.48
	d) Other Loans and Advances (including amount referred to in Note 46 & 47)		
	- Considered Good	4,686.27	4,616.66
	- Considered Doubtful	579.12	582.61
		5,265.39	5,199.27
	Less: Provision for Doubtful Advances	579.12	582.61
		4,686.27	4,616.66
	Total	11,391.22	11,522.58
20	OTHER CURRENT ASSETS		
	Interest Receivable	1,061.65	34.65
	Total	1,061.65	34.65

Notes forming part of the Financial Statements

		₹ Mn	
	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
21	OTHER OPERATING INCOME		
	Liabilities/Provisions no longer required written back	123.41	589.11
	Miscellaneous Receipts	150.60	101.58
	Total	274.01	690.69
22	OTHER INCOME		
	Interest Income	1,085.55	1,014.06
	Profit on Sale of Current Investments	3,437.82	1,225.52
	Total	4,523.37	2,239.58
23	PERSONNEL EXPENDITURE		
	Salaries and Allowances etc. (including amount referred to in Note 42)	11,990.25	10,430.91
	Contribution to Provident and Other Funds	933.40	555.28
	Staff Welfare	513.12	463.75
	Recruitment and Training	150.51	160.18
	Total	13,587.28	11,610.12
24	NETWORK EXPENSES AND IT OUTSOURCING COST		
	Security Service Charges	892.22	818.44
	Power and Fuel	23,944.00	22,338.68
	Repairs and Maintenance - Plant and Machinery	9,219.24	8,588.07
	Switching & Cellsites Rent	1,181.82	1,585.83
	Lease Line and Connectivity Charges	5,038.76	4,858.44
	Network Insurance	118.72	104.29
	Passive Infrastructure Charges	37,995.69	32,359.44
	Other Network Operating expenses	849.91	714.60
	IT Outsourcing Cost	3,646.28	3,377.58
	Total	82,886.64	74,745.37
25	LICENSE FEES AND SPECTRUM USAGE CHARGES		
	License Fees	21,636.31	18,040.75
	Spectrum Usage Charges	13,715.16	11,197.23
	Total	35,351.47	29,237.98
26	ROAMING & ACCESS CHARGES		
	Roaming Charges	8,355.42	6,113.56
	Access Charges	38,957.81	35,502.08
	Total	47,313.23	41,615.64

Notes forming part of the Financial Statements

		₹ Mn	
	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
27	SUBSCRIBER ACQUISITION & SERVICING EXPENDITURE		
	Cost of Sim & Recharge Vouchers	1,489.90	1,476.59
	Commission to Dealers	15,236.68	11,563.01
	Customer Verification Expenses	2,495.21	2,309.61
	Collection, Telecalling & Servicing Expenses	5,054.24	4,929.83
	Customer Retention & Customer Loyalty Expenses	762.26	626.54
	Total	25,038.29	20,905.58
28	ADMINISTRATION & OTHER EXPENSES		
	Repairs and Maintenance – Building	72.44	63.01
	– Others	393.70	401.09
	Other Insurance	24.96	19.90
	Non Network Rent	989.75	862.85
	Rates and Taxes	170.68	139.44
	Electricity	535.68	498.07
	Printing and Stationery	90.69	82.30
	Communication Expenses	93.57	117.81
	Travelling and Conveyance	872.33	846.04
	Bad Debts/Advances written off	1,043.19	1,152.28
	Provision for Bad and Doubtful Debts/Advances	35.95	(127.33)
	(Gain)/Loss on Foreign Exchange Fluctuation (Net)	235.50	376.33
	Bank Charges	149.44	102.53
	Directors Commission (including ₹ 100 Mn. related to previous year approved by the shareholders in the current year)	250.00	-
	Directors Sitting Fees	2.72	1.40
	Legal and Professional Charges	696.63	719.18
	Audit Fees (Refer Note 35)	42.50	42.50
	Loss/(Gain) on Sale of Fixed Assets/Assets disposed off (Net)	35.36	18.24
	Miscellaneous Expenses*	1,219.46	891.00
	Total	6,954.55	6,206.64
	*Includes contribution of ₹ 150 Mn. (Previous Year ₹ Nil) to General Electoral Trust (the 'Trust') of the Aditya Birla Group. As per governing charter of the Trust, the contributions received by the Trust from various Companies in the Aditya Birla Group, are used for contribution to be made to Political Parties/for Political purposes, as may be decided by the Board of Independent Trustees of the said Trust.		
29	INTEREST & FINANCE CHARGES		
	Interest		
	– On Fixed Period Loan	4,935.71	5,927.56
	– On Deferred Payment Liability towards Spectrum (Net of ₹ 5,232.52 Mn. capitalised, Previous year ₹ 403.44 Mn.)	3,574.92	1,495.76
	– Others	330.03	214.55
	Finance Charges	475.92	473.27
	Total	9,316.58	8,111.14

Notes forming part of the Financial Statements

30. The Department of Telecommunications (DoT) conducted auctions for frequency blocks in the 800, 900, 1800 and 2100 Mhz spectrum bands in March 2015. The frequency blocks that were put to auction in the 900 and 1800 Mhz band in 17 service areas included the blocks that are currently held by existing licensees whose licenses for the respective service areas are due to expire during financial years (FY) 2015-16 and 2016-17. The Company successfully bid for its requirements in the nine service areas of Maharashtra, Madhya Pradesh, Kerala, Gujarat, Andhra Pradesh, Haryana, Punjab, Karnataka and Uttar Pradesh (West) where its licenses are due to expire during FY 2015 - 16 / 2016-17 and also additional spectrum at a total cost of ₹ 301,375.25 Mn as under:

- 54 Mhz of 900 Mhz spectrum in the 9 service areas of Maharashtra, Madhya Pradesh, Kerala, Gujarat, Andhra Pradesh, Haryana, Punjab, Karnataka and Uttar Pradesh (West)
- 20.4 Mhz of 1800 Mhz spectrum in the 6 service areas of Karnataka, Uttar Pradesh (West), Orissa, Tamilnadu, Himachal Pradesh and North East
- 5 Mhz of 2100 Mhz spectrum in Kolkata service area.

The validity of the above spectrum will be for a fresh 20 year period starting from the effective date as mentioned in the Letter of Intent (LOI) when issued, which, in case of spectrum blocks currently held by the existing licensees, should be the date of expiry of existing licenses. As per the payment options available, the Company has chosen the deferred payment option. The upfront payment amount under the deferred payment option due on or before April 9, 2015 was ₹ 77,341.99 Mn. of which ₹ 19,350.00 Mn. was paid on March 31, 2015 and the balance amount of ₹ 57,991.99 Mn. was paid on April 9, 2015. Pending completion of subsequent formalities as per the Notice Inviting Applications (NIA) for the auction and any orders that may be passed by the Hon'ble Supreme Court in related and connected matters currently before it, the amount paid as on March 31, 2015 has been disclosed as Capital Advances and the balance amount of ₹ 282,025.25 Mn. has been disclosed under capital commitments.

31. During the year, the Company has issued and allotted 223,880,597 Equity Shares of face value of ₹ 10/- each to eligible Qualified Institutional Buyers at a price of ₹ 134/- per Equity Share, including a premium of ₹ 124/- per Equity Share, aggregating ₹ 30,000 Mn. The Company also issued and allotted 51,838,540 Equity Shares of face value of ₹ 10/- each to Axiata Investments 2 (India) Limited on a preferential basis at a price of ₹ 144.68 per Equity Share, including a premium of ₹ 134.68 per Equity Share, aggregating ₹ 7,500 Mn.

32. Contingent Liabilities:

- (i) In Financial year 2012-13, DoT had issued demand notices towards one time spectrum charges
- for spectrum beyond 6.2 Mhz in respective service areas for retrospective period from July 1, 2008 to December 31, 2012, amounting to ₹ 3,691.30 Mn., and
 - for spectrum beyond 4.4 Mhz in respective service areas effective January 1, 2013 till expiry of the period as per respective licenses amounting to ₹ 17,443.70 Mn.

In the opinion of Company, *inter-alia*, the above demands amount to alteration of financial terms of the licenses issued in the past. The Company had therefore, petitioned the Hon'ble High Court of Bombay, where the matter was admitted and is currently sub-judice. The Hon'ble High Court of Bombay has directed the DoT, not to take any coercive action until the matter is further heard.

- (ii) The Company has a contingent obligation to buy compulsorily convertible preference shares issued by Aditya Birla Telecom Limited (ABTL), a subsidiary of the Company, from the holder at a mutually agreed consideration based on the fair value, in the event the holder exercises exit rights.

(iii) Other Matters

Particulars	₹ Mn	
	As at March 31, 2015	As at March 31, 2014
Income Tax Matters not acknowledged as debts (see a below)	66,566.75	25,563.22
Sales Tax and Entertainment Tax Matters not acknowledged as debts (see b below)	994.34	973.59
Service Tax Matters not acknowledged as debts (see c below)	1,364.22	1,538.93
Entry Tax and Customs Matters not acknowledged as debts (see d below)	386.57	294.76
Licensing Disputes (see e below)	35,520.91	19,943.82
Other claims not acknowledged as debts (see f below)	2,370.12	2,322.46

Notes forming part of the Financial Statements

a. Income Tax Matters:

- Appeals filed by the Company against the demands raised by Income Tax Authorities which are pending before Appellate Authorities include mainly disputes on account of incorrect disallowance of revenue share license fee, disputes on non applicability of tax deduction at source on pre-paid margin allowed to prepaid distributors & roaming settlements, disallowance of interest proportionate to interest free advances given to wholly owned subsidiaries etc.
- Appeals filed for tax demand on the net value of assets and liabilities vested with the company consequent to High Court approved de-merger of telecom undertaking from its wholly owned subsidiary.
- Appeal filed for tax demand on difference between revalued figure of Investment in Indus held through a wholly owned subsidiary and book value of PI assets transferred to stepdown subsidiary through a High Court approved scheme.

b. Sales Tax and Entertainment Tax:

- Sales Tax demands mainly relates to the demands raised by the VAT/Sales Tax authorities of few states on Broadband Connectivity, SIM cards, etc. on which the Company has already paid Service Tax.
- In one state Entertainment tax is being demanded on revenue from value added services. However, the Company has challenged the constitutional validity of the levy.

c. Service Tax:

Service Tax demands mainly relates to the following matters:

- Interpretation issues arising out of Rule 6(3) of the Cenvat Credit Rules, 2004.
- Denial of Cenvat credit related to Towers, Shelters and OFC ducts.
- Disallowance of Cenvat Credit on input services viewed as not related to output service.

d. Entry Tax:

In certain states, Entry Tax is being demanded on receipt of material from outside the state. However, the Company has challenged the constitutional validity of the levy.

e. Licensing Disputes:

- Demands due to difference in interpretation of definition of Adjusted Gross Revenue (AGR) and other license fee assessment related matters. Most of these demands are currently before the Hon'ble High court. On 23rd of April, 2015, the Hon'ble TDSAT has issued its judgment setting aside demands which were before it and directed the DoT to re-compute basis principles laid down.
- Disputes relating to alleged non compliance of licensing conditions, EMF procedural norms & other disputes with DoT, either filed by or against the Company and pending before Hon'ble Supreme Court / TDSAT.
- Demands on account of alleged violations in license conditions relating to amalgamation of erstwhile Spice Communications Limited currently sub-judice before the Hon'ble TDSAT.

f. Other claims not acknowledged as debts:

Mainly include consumer forum cases, miscellaneous disputed matters with Local Municipal Corporation, Electricity Board and others.

33. Details of Guarantees given:

Bank Guarantees given ₹ 86,472.12 Mn. (Previous year ₹ 42,004.11 Mn.)

34. Capital and other Commitments:

Estimated amount of commitments as on March 31, 2015 towards:

- Spectrum won in auctions ₹ 282,025.25 Mn (Previous year ₹ Nil)
- Contracts remaining to be executed for capital expenditure (net of advances) and not provided for are ₹ 27,661.71 Mn. (Previous year ₹ 16,874.82 Mn.)
- Long term contracts remaining to be executed including early termination commitments (if any) are ₹ 17,866.22 Mn. (Previous year ₹ 18,376.07 Mn.)

35. Auditors' Remuneration (excluding Service Tax):

Particulars	₹ Mn	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Statutory Audit Fees	42.50	42.50
Certification and Other Services (included in Legal and Professional Charges)	9.75	6.23
Out of pocket expenses (included in Misc.Expenses)	0.33	0.81
Total Remuneration *	52.58	49.54

*excludes ₹ 8 Mn. paid to Statutory Auditors for attestation related to QIP included under share issue expenses netted off from Securities Premium.

Notes forming part of the Financial Statements

36. CIF Value of Imports:

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Capital Goods (including spares)	13,195.57	13,571.80

37. Expenditure in Foreign Currency (on Accrual basis):

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest and Financing Charges	2,083.11	2,432.81
Travel	3.58	5.28
Professional and Consultancy Fees	14.67	26.84
International Roaming Charges	569.45	508.65
Termination/Carriage Charges	1,477.06	1,706.53
Others	303.99	408.61

38. Earning in Foreign Currency (on Accrual basis):

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
International Roaming Charges	691.82	926.09
Termination/Carriage Charges	4,163.11	2,900.05

39. Amount Remitted in Foreign Currency on account of Dividend:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Number of Non-Resident Equity Shareholders	2	2
Number of Shares held by them	712,000,543	660,162,003
Amount Remitted as Dividend (₹ Mn.)	284.80	198.05
Year to which Dividend relates	FY 2013-14	FY 2012-13

40. Details of Current Investments:

₹ Mn

Particulars	As at March 31, 2015		As at March 31, 2014	
	Qty in '000 Units	₹ in Mn. Value	Qty in '000 Units	₹ in Mn. Value
Birla Sun Life Cash Plus - Direct- Growth	200,491.25	45,000.00	-	-
DSP BlackRock Liquidity Fund - Direct- Growth	237.46	475.00	-	-
Reliance Liquidity Fund - Direct - Growth	1,423.46	3,000.00	-	-
Birla Sun Life Floating Rate Fund - STP - Direct - Growth	80,568.62	15,000.00	-	-
HDFC Cash Management Fund - Savings Plan - Direct - Growth	119,840.03	3,500.00	-	-
ICICI Prudential Liquid -Direct- Growth	179,708.15	37,200.00	-	-
JPMorgan India Liquid Fund - Direct - Growth	55,087.31	1,000.00	-	-
IDFC Cash Fund - Direct - Growth	588.42	1,000.00	-	-
Tata Liquid Fund - Direct - Growth	387.34	1,000.00	-	-
DWS Insta Cash Plus Fund - Direct - Growth	5,506.14	1,000.00	-	-
Kotak Floater - ST - Direct- Growth	1,526.50	3,500.00	-	-
Total	645,364.68	111,675.00	-	-

Notes forming part of the Financial Statements

41. Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006:

₹ Mn

Particulars	2014-15	2013-14
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables.	8.32	31.78
(ii) The interest due on above.	Nil	Nil
The Total of (i) & (ii)	8.32	31.78
b) The amount of interest paid by the buyer in terms of section 16 of the Act.	Nil	Nil
c) The amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil	Nil
d) The amounts of interest accrued and remaining unpaid at the end of financial year	Nil	Nil
e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	Nil	Nil

42. Personnel Expenditure includes ₹ 313.29 Mn. (Previous year ₹ 43.07 Mn.), being the amortisation of intrinsic value of ESOPs for the year ending March 31, 2015.

Had the compensation cost for the Company's stock based compensation plan been determined as per fair value approach (calculated using Black & Scholes Option Pricing Model), the Company's net income would be lower by ₹ 542.82 Mn. (Previous year ₹ 93.56 Mn.) and earnings per share would be as indicated below:

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net Profit after Tax	28,098.35	16,893.06
Add: Total stock-based employee compensation expense determined under intrinsic value base method	313.29	43.07
Less: Total stock-based employee compensation expense determined under fair value base method	856.11	136.63
Adjusted Net Profit	27,555.53	16,799.50
Basic Earnings Per Share (in ₹)		
– As Reported	7.94	5.09
– Adjusted	7.79	5.06
Diluted Earnings Per Share (in ₹)		
– As Reported	7.91	5.08
– Adjusted	7.76	5.05

The fair value of each option is estimated on the date of grant/re-pricing based on the following assumptions:

Particulars	ESOS 2006					
	On the date of Grant				On the date of Re-pricing	
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche I	Tranche II
Dividend yield (%)	Nil	Nil	Nil	Nil	Nil	Nil
Expected life	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months	4 yrs 6 months	5yrs 9 months
Risk free interest rate (%)	7.78	7.50	7.36	8.04-8.14	7.36	7.36
Volatility (%)	40.00	45.80	54.54	50.45	54.54	54.54

Notes forming part of the Financial Statements

Particulars	ESOS 2013			
	Tranche I		Tranche II	
	Stock Options	Restricted Stock Units	Options	Restricted Stock Units
Dividend yield (%)	0.24	0.24	0.40	0.40
Expected life	6 yrs 6 months	5 yrs 6 months	6 yrs 6 months	5 yrs 6 months
Risk free interest rate (%)	8.81 – 8.95	8.91	8.04 – 8.06	8.05
Volatility (%)	34.13 – 44.81	43.95	34.28 – 42.65	35.66

43. Details of Foreign Currency Exposures:

A. Hedged by a Derivative Instrument:

Amount in Mn

Particulars	As at March 31, 2015	As at March 31, 2014
Foreign Currency Loan		
Foreign Currency Loan in USD	528.21	667.73
Foreign Currency Loan in JPY	-	5,313.22
Equivalent INR of Foreign Currency Loan	33,695.31	43,744.48
Trade Payables and Other Current Liabilities		
Trade Payables in USD	32.50	42.44
Interest accrued but not due on Foreign Currency Loans in USD	1.56	7.39
Interest accrued but not due on Foreign Currency Loans in JPY	-	8.20
Equivalent INR of Trade Payables and Other Current Liabilities	2,153.38	3,120.20

B. Not hedged by a Derivative Instrument or otherwise:

Amount in Mn

Particulars	As at March 31, 2015	As at March 31, 2014
Foreign Currency Loan		
Foreign Currency Loan in USD	473.75	473.75
Equivalent INR of Foreign Currency Loan	29,652.49	28,472.38
Trade Payables and Other Current Liabilities		
Trade Payables in USD	40.50	44.64
Trade Payables in EURO	0.33	0.25
Trade Payables in GBP	0.02	-
Interest accrued but not due on Foreign Currency Loans in USD	4.72	-
Equivalent INR of Trade Payables and Other Current Liabilities	2,855.07	2,703.58
Trade Receivables		
Trade Receivables in USD	15.37	12.65
Trade Receivables in EURO	0.08	0.11
Equivalent INR of Trade Receivables in Foreign Currency	969.42	768.78

Notes forming part of the Financial Statements

44. Employee Benefits:

- a) **Defined Benefit Plan:** The Company provides for its liability towards gratuity as per the actuarial valuation. The present value of the accrued gratuity minus fund value is provided in the books of accounts.

₹ Mn

Sr. No.	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
1	Assumptions		
	Discount Rate	8.00%	9.10%
	Expected Return on Plan Assets	9.00%	9.00%
	Salary Escalation	7.00%	7.00%
2	Table showing changes in Present Value of Obligations		
	Present value of Obligations as at beginning of year	1,043.15	944.52
	Interest Cost	106.88	87.83
	Current Service Cost	157.11	157.97
	Benefits Paid	(47.33)	(24.72)
	Actuarial (Gain)/Loss on Obligations	189.80	(122.45)
	Past Service Cost	-	-
	Present Value of Obligations as at end of year	1,449.61	1,043.15
3	Table showing changes in the Fair Value of Plan Assets		
	Fair Value of Plan Assets as at beginning of year	231.57	211.83
	Expected Return on Plan Assets	19.87	19.23
	Contributions	9.52	23.50
	Benefits paid	(47.33)	(24.72)
	Actuarial Gain/(Loss) on Plan Assets	(1.23)	1.73
	Fair Value of Plan Assets at the end of year	212.40	231.57
	Funded Status	1,237.21	811.58
	Actual Return on Plan Assets	18.65	20.96
4	Actuarial Gain/Loss recognised		
	Actuarial Gain/(Loss) for the year –Obligation	(189.80)	122.45
	Actuarial (Gain)/Loss for the year - Plan Assets	1.23	(1.73)
	Total (Gain)/Loss for the year	191.03	(124.18)
	Actuarial (Gain)/Loss recognised in the year	191.03	(124.18)
5	Amounts to be recognised in the Balance Sheet		
	Present Value of Obligations as at the end of the year	1,449.61	1,043.15
	Fair Value of Plan Assets as at the end of the year	212.40	231.57
	Funded Status	1,237.21	811.58
	Net Asset/(Liability) recognised in Balance Sheet	(1,237.21)	(811.58)
6	Expenses Recognised in Statement of Profit & Loss		
	Current Service cost	157.11	157.97
	Interest Cost	106.88	87.83
	Expected Return on Plan Assets	(19.88)	(19.23)
	Net Actuarial (Gain)/Loss recognised in the year	191.03	(124.18)
	Past Service Cost	-	-
	Expenses recognised in Statement of Profit & Loss	435.14	102.39
7	Investment Details of Plan Assets (% allocation)		
	Insurer Managed Funds*	100%	100%

Notes forming part of the Financial Statements

₹ Mn

Sr. No.	Particulars	For the year ended				
		March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
8	Experience Adjustments					
	Defined Benefit Obligation	1,449.61	1,043.15	944.52	466.98	365.36
	Plan Assets	212.40	231.57	211.83	203.96	178.55
	Surplus/(Deficit)	(1,237.21)	(811.58)	(732.69)	(263.02)	(186.81)
	Experience Adjustments on Plan Liabilities	(11.14)	32.42	112.89	24.08	25.07
	Experience Adjustments on Plan Assets	(1.23)	1.73	1.96	2.59	5.33

*The funds are managed by LIC and LIC does not provide breakup of plan assets by investment type.

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- b) **Defined Contribution Plan** : During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Employers' Contribution to Provident & Pension Fund	390.70	355.09
Employers' Contribution to Superannuation Fund	64.49	56.64

45. Segment Reporting:

1. Primary Segments:

The Company operates in two business segments:

- Mobility Services: providing GSM based mobile and related telephony services.
- International Long Distance (ILD): providing international long distance services.

Transactions between segments are accounted on agreed terms on arm's length basis and have been eliminated at the company level.

2. Secondary Segment:

The Company caters only to the needs of Indian market representing a singular economic environment with similar risks and rewards and hence there are no reportable geographical segments

Primary Business Information (Business Segments) for the year ended March 31, 2015

₹ Mn

Particulars	Business Segments		Elimination	Total
	Mobility	ILD		
Revenue				
External Revenue	308,423.97	4,370.74	-	312,794.71
Inter-segment Revenue	1,441.81	1,440.37	(2,882.18)	-
Total Revenue from Operations	309,865.78	5,811.11	(2,882.18)	312,794.71
Segment Result	47,433.28	750.76	-	48,184.04
Other Income				4,523.37
Interest & Financing Charges				(9,316.58)
Profit before Tax				43,390.83
Provision for Tax (Net)				(15,292.48)
Profit after Tax				28,098.35

Notes forming part of the Financial Statements

₹ Mn

Particulars	Business Segments		Elimination	Total
	Mobility	ILD		
Other Information				
Segment Assets	417,544.87	1,194.34	(482.75)	418,256.46
Unallocated Corporate Assets	-	-	-	158,501.95
Total Assets				576,758.41
Segment Liabilities	338,877.38	491.56	(482.75)	338,886.19
Unallocated Corporate Liabilities	-	-	-	18,970.80
Total Liabilities				357,856.99
Capital Expenditure	46,803.67	25.31	-	46,828.98
Depreciation & Amortisation	48,513.60	36.48	-	48,550.08

Primary Business Information (Business Segments) for the year ended March 31, 2014

₹ Mn

Particulars	Business Segments		Elimination	Total
	Mobility	ILD		
Revenue				
External Revenue	258,565.05	3,229.64	-	261,794.69
Inter-segment Revenue	917.78	1,505.30	(2,423.08)	-
Total Revenue from Operations	259,482.83	4,734.94	(2,423.08)	261,794.69
Segment Result	31,218.50	705.87	-	31,924.37
Other Income				2,239.58
Interest & Financing Charges				(8,111.14)
Profit before Tax				26,052.81
Provision for Tax (Net)				(9,159.75)
Profit after Tax				16,893.06
Other Information				
Segment Assets	399,898.64	1,047.94	(569.25)	400,377.33
Unallocated Corporate Assets	-	-	-	39,506.21
Total Assets				439,883.54
Segment Liabilities	263,530.72	424.99	(569.25)	263,386.46
Unallocated Corporate Liabilities	-	-	-	20,653.55
Total Liabilities				284,040.01
Capital Expenditure	147,298.29	22.76	-	147,321.05
Depreciation & Amortisation	40,897.30	35.14	-	40,932.44

Notes forming part of the Financial Statements

46. Related Party Transactions:

As per Accounting Standard 18 on “Related Party Disclosures”, related parties of the Company are disclosed below:

A. List of related parties:

Promoters

Hindalco Industries Limited (Hindalco)

Grasim Industries Limited (Grasim)

Aditya Birla Nuvo Limited (ABNL)

Birla TMT Holdings Pvt. Limited (Birla TMT)

Subsidiaries

Idea Telesystems Limited (ITL)

Aditya Birla Telecom Limited (ABTL)

Idea Cellular Services Limited (ICSL)

Idea Cellular Infrastructure Services Limited (ICISL)

Idea Mobile Commerce Services Limited (IMCSL)

Joint Venture of Subsidiary (JV)

Indus Towers Limited (Indus)

Entities having significant influence

Axiata Investments 1 (India) Ltd. (AI1)

Axiata Investments 2 (India) Ltd. (AI2)

Axiata Group Berhad (AGB)

Key Management Personnel (KMP)

Mr. Himanshu Kapania, MD

Mr. Akshaya Moondra, CFO

Notes forming part of the Financial Statements

B. Transactions with Related Parties

Particulars	Promoters				JV	Subsidiaries				Entities having significant Influence			KMP	
	Hindalco	Grasim	ABNL	Birla TMT		Indus	ICSL	ICISL	ABTL	ITL	IMCSL	A11		A12
Remuneration														132.22 (117.98)
Security Deposit Given									2.39 (-)					
Security Deposit Refunded by					3,571.00 (-)									
Purchase of Fixed Assets							0.29 (0.46)							
Inter Corporate Deposit (ICD) given										- (7.70)				
Issue of Equity Shares											7,500.00 (-)			
Investments											54.00 (35.00)			
Purchase of Service /Goods	0.25 (0.05)	0.10 (0.34)	- (0.17)		32,748.59 (29,242.59)	1,329.85 (1,115.53)	1,286.86 (1,279.00)	3.28 (1.47)	90.60 (71.31)	0.20 (0.25)				
Sale of Service/Goods	28.71 (29.77)	19.01 (16.64)	22.34 (29.33)		2.03 (-)	21.44 (16.78)				0.30 (0.23)				
Director's Commission													1.27 (-)	
Unsecured Loans given					- (109.00)		- (1,121.50)	- (1,519.47)		- (1.29)				
Unsecured Loans repaid by					162.46 (777.97)		1,967.08 (1,601.80)	1,513.52 (210.38)		- (10.06)				
Interest on Unsecured loans/ICD Given					- (54.29)					0.72 (0.77)				
Pass through and reimbursement of expenses incurred on behalf of					- (1.49)									
Expense incurred by Company on behalf of	0.35 (0.52)	0.09 (0.16)	0.29 (0.86)		0.18 (-)	3.15 (2.89)	75.99 (75.27)		4.65 (0.11)	- (2.66)				
Expenses incurred on Company's behalf by	- (0.02)	- (0.09)	0.02 (0.03)			- (1.17)								
Rent Expense									9.57 (2.70)					
Interest paid on NCD		9.45 (9.45)												
Inter Corporate Deposit (ICD) repaid by											10.20 (-)			
Dividend paid on Equity Shares	91.34 (68.50)	68.41 (51.30)	335.01 (251.26)	113.43 (85.07)							185.89 (139.42)	98.91 (58.63)	0.15 (0.10)	
(Figures in bracket are for the year ended March 31, 2014)														

(Figures in bracket are for the year ended March 31, 2014)

Notes forming part of the Financial Statements

C. Balances Outstanding as on March 31, 2015

Particulars	Nature of Relationship									₹ Mn
	Promoters			JV	Subsidiaries				KMP	
	Hindalco	Grasim	ABNL	Indus	ICSL	ICISL	ABTL	ITL		
Deposit Given (grouped under Deposits with Body Corporates and Others)				1,000.00 (1,000.00)					- (10.20)	
Deposits Taken				- (3,571.00)						
Unsecured Long Term and Short Term Loans & Advances				- (162.46)		- (1,967.08)	- (1,513.52)			
Trade Receivables	2.69 (3.63)	0.66 (2.35)	3.24 (1.48)			5.38 (6.66)			0.01 (-)	
Interest Receivable									- (0.72)	
Remuneration Payable										63.57 (34.54)
Deposit Given								2.39 (-)		
Trade Payables	0.12 (-)	0.06 (-)		2,969.93 (2,821.07)	71.57 (45.58)	119.59 (111.61)		1.95 (12.66)	- (0.01)	
9.45% Redeemable NCD	100.00 (100.00)									
Interest accrued but not due on the above NCD's	3.91 (3.91)									
Figures in bracket are for the year ended March 31, 2014)										

(Figures in bracket are for the year ended March 31, 2014)

Notes forming part of the Financial Statements

47. Disclosure of amounts at the year end and the maximum amount of loans & advances outstanding during the year as per the requirement of Clause 32 of the Listing Agreement:

₹ Mn

Name of the Party	Outstanding as at March 31, 2015	Maximum amount outstanding during the current year	Outstanding as at March 31, 2014	Maximum amount outstanding during the previous year
Subsidiary :				
Aditya Birla Telecom Limited (ABTL)	-	1,513.52	1,513.52	1,513.52
Idea Cellular Infrastructure Services Limited (ICISL)	-	1,967.08	1,967.08	2,941.44
Idea Mobile Commerce Services Limited (IMCSL)	-	-	-	16.32

48. The Company is one of the members of Aditya Birla Management Corporation Private Limited, a Company limited by guarantee, which has been formed to provide common pool of facilities and resources to its members with a view to optimise the benefits of specialisation and minimize cost to each member. The Company's share of expenses incurred under the common pool has been accounted for at actuals in the respective heads in the Statement of Profit & Loss.

49. Operating Lease: As a Lessee:

The Company has entered into non-cancellable operating leases for offices, switches and cell sites for periods ranging from 36 months to 240 months.

The future minimum lease payments in respect of the above are as follows.

₹ Mn

Particulars	Not later than one year	Later than one year but not later than five years	Later than five years
Minimum Lease Payments	36,965.54 (32,329.67)	120,216.08 (120,321.76)	47,163.75 (40,423.28)

(Figures in bracket are as of March 31, 2014)

Lease payments amounting to ₹ 40,134.33 Mn. (Previous year ₹ 34,779.33 Mn.) are included in rental and passive infrastructure expenses in the statement of profit and loss during the current year.

Operating Lease: As a Lessor

The Company has leased certain Optical Fibre Cables (OFC) on Indefeasible Rights of Use ("IRU") basis and certain cell sites under operating lease arrangements. The gross block, accumulated depreciation and depreciation expense of the assets given on lease are not separately identifiable and hence not disclosed.

The future minimum lease receivables in respect of the above are as follows:

₹ Mn

Particulars	Not later than one year	Later than one year but not later than five years	Later than five years
Minimum Lease Receivables	757.18 (175.68)	2,108.17 (-)	2,136.62 (-)

(Figures in bracket are as of March 31, 2014)

50. The Company has a composite IT outsourcing agreement where in fixed assets and services related to IT has been supplied by the vendor. Such fixed assets received have been accounted for as a finance lease. Correspondingly, such assets are recorded at fair value at the time of receipt and depreciated on the stated useful life applicable to similar IT assets of the Company.

Notes forming part of the Financial Statements

51. Basic & Diluted Earnings Per Share:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Nominal value of Equity Shares (₹)	10/-	10/-
Profit after Tax (₹ Mn.)	28,098.35	16,893.06
Profit attributable to Equity Shareholders (₹ Mn.)	28,098.35	16,893.06
Weighted average number of Equity Shares outstanding during the year	3,536,845,592	3,316,853,830
Basic Earnings Per Share (₹)	7.94	5.09
Dilutive effect on weighted average number of Equity Shares outstanding during the year	15,338,212	8,373,426
Weighted average number of Diluted Equity Shares	3,552,183,804	3,325,227,256
Diluted Earnings Per Share (₹)	7.91	5.08

52. Asset Retirement Obligation:

The Company installs equipments on leased premises and lays down optical fibre cables (OFC) to provide seamless connectivity to its customers. In certain cases, the Company may have to incur some cost to remove such equipment and OFC. Estimated costs to be incurred for restoration is capitalised along with the assets. The movement of provision as required in Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" is given below:

₹ Mn		
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening Balance	420.45	420.45
Additional Provision	-	-
Utilisation	-	-
Closing Balance	420.45	420.45

53. The Board of Directors has recommended a dividend at the rate of ₹ 0.60 per share (Previous Year ₹ 0.40) of face value of ₹ 10/- aggregating ₹ 2,598.17 Mn. including ₹ 439.46 Mn. Dividend Distribution Tax (Previous Year ₹ 1,553.52 Mn., including ₹ 225.67 Mn. Dividend Distribution Tax) for the year ended March 31, 2015. The payment of dividend is subject to the approval of the shareholders at the ensuing annual general meeting of the Company.

54. Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year grouping.

For and on behalf of the Board

Arun Thiagarajan
Director

Gian Prakash Gupta
Director

Himanshu Kapania
Managing Director

Akshaya Moondra
Chief Financial Officer

Pankaj Kapdeo
Company Secretary

Place : Mumbai
Date : April 28, 2015

Cash Flow Statement for the year ended March 31, 2015

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A) Cash Flow from Operating Activities		
Net Profit after Tax	28,098.35	16,893.06
Adjustments For		
Depreciation	41,434.95	34,622.71
Amortisation of Intangible Assets	7,115.13	6,309.73
Interest and Finance Charges	9,316.58	8,111.14
Profit on sale of Current Investments	(3,437.82)	(1,225.52)
Bad Debts/Advances written off	1,043.19	1,152.28
Provision for Bad & Doubtful Debts/Advances	35.95	(127.33)
Employee Stock Option Cost	313.29	43.07
Provision for Gratuity & Compensated Absences	670.05	165.41
Provision for Deferred Tax	780.27	5,079.31
Provision for Current Tax (Net of MAT Credit entitlement)	14,512.21	4,080.44
Liabilities/Provisions no longer required written back	(123.41)	(589.11)
Interest Income	(1,085.55)	(1,014.06)
Loss/(Gain) on sale of Fixed Assets/Assets disposed off	35.36	18.24
	70,610.20	56,626.31
Operating Profit before Working Capital Changes	98,708.55	73,519.37
Adjustments for changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(2,704.15)	434.95
(Increase)/Decrease in Inventories	(95.60)	57.72
(Increase)/Decrease in Other Current and Non Current Assets	434.06	(442.41)
(Increase)/Decrease in Long Term and Short Term Loans and Advances	3,855.58	1,187.80
Increase /(Decrease) in Trade Payables, Other Current and Non Current Liabilities and Provisions	4,138.15	5,892.76
	5,628.04	7,130.82
Cash generated from Operations	104,336.59	80,650.19
Tax paid (including TDS) (net)	(9,592.70)	(5,338.97)
Net Cash from/(used in) Operating Activities	94,743.89	75,311.22
B) Cash Flow from Investing Activities		
Purchase of Fixed assets & Intangible assets (including CWIP)	(38,430.25)	(33,890.48)
Payment towards Spectrum and Licenses*	(19,350.00)	(31,436.07)
Proceeds from sale of Fixed assets	283.34	147.70
Additional Investment in Idea Mobile Commerce Services Limited	(54.00)	(35.00)
Profit on sale of Current Investments and Interest received	3,496.37	2,213.37
Net Cash from/(used in) Investing Activities	(54,054.54)	(63,000.48)

Cash Flow Statement for the year ended March 31, 2015

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
C) Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital (net of share issue expenses)	37,373.96	262.75
Proceeds from Long Term Borrowings*	80,825.86	2,865.34
Repayment of Long Term Borrowings	(20,995.52)	(19,353.24)
Proceeds from Short Term Borrowings	1,352.58	6,905.62
Repayment of Short Term Borrowings	(5,932.18)	(5,068.60)
Payment of Dividend, including Dividend Tax	(1,682.26)	(1,163.48)
Payment of Interest and Finance Charges	(5,498.67)	(6,259.58)
Net Cash from/(used in) Financing Activities	85,443.77	(21,811.19)
Net Increase/(Decrease) in Cash and Cash Equivalents	126,133.12	(9,500.45)
Cash and Cash Equivalents at the beginning	907.81	10,408.26
Cash and Cash Equivalents at the end	127,040.93	907.81

* Excluding deferred payment liability towards spectrum won in auction, being non cash transaction in previous year

Notes to Cash flow Statement for the year ended March 31, 2015

- Cash and Cash Equivalents include the following Balance Sheet amounts

Cash on hand	15.91	25.96
Cheques on hand	76.57	173.55
Balances with banks		
- In Current Accounts	272.86	197.58
- In Deposit Accounts	15,000.59	510.72
Investment in Units of Liquid Mutual Funds	111,675.00	-
	<u>127,040.93</u>	<u>907.81</u>
- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cashflow Statement

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board

Khurshed Pastakia
Partner
Membership No.: 31544

Arun Thiagarajan
Director

Gian Prakash Gupta
Director

Himanshu Kapania
Managing Director

Place : Mumbai
Date : April 28, 2015

Akshaya Moondra
Chief Financial Officer

Pankaj Kapdeo
Company Secretary

Independent Auditors' Report on the Consolidated Financial Statements

To the Members of
Idea Cellular Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of IDEA CELLULAR LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries and a jointly controlled entity (the Holding Company, its subsidiaries and a jointly controlled entity constitute "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding company has an adequate internal financial controls system over financial reporting in place and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 33(i) to the consolidated financial statements. The Department of Telecommunications (DoT) has issued demand notices dated 8th January, 2013 towards one time spectrum charges for spectrum held by the Company beyond 6.2 Mhz for the period from 1st July, 2008 to 31st December, 2012 amounting to ₹ 3,691.30 Million and beyond 4.4 Mhz for the period from 1st January, 2013 till the expiry of the license amounting to ₹ 17,443.70 Million in the respective telecom service areas. In the opinion of the Company, *inter-alia*, the above demand amounts to alteration of financial terms of the licenses issued in the past. The Company therefore filed a petition before the Hon'ble High Court of Bombay, which has directed DoT, not to take any coercive action until the matter is further heard.

The financial impact of the above mentioned matter is dependent upon the outcome of the petition filed by the Company in the Hon'ble High Court of Bombay and therefore no effect for the one time spectrum charges has been given in these consolidated financial statements.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of Indus Towers Limited, a jointly controlled entity of Aditya Birla Telecom Limited (Subsidiary of the Company), whose financial statements reflect Group's Share of total assets (net) of ₹19,493.60 Million as at 31st March, 2015, Group's Share of total revenues of ₹23,960.32 Million and Group's Share of net cash flows of ₹358.72 Million for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary companies and jointly controlled company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in

agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 33 (i), (iii) and Note 34 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and jointly controlled company incorporated in India.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Khurshed Pastakia

Partner

(Membership No. 31544)

Place : Mumbai

Date : 28th April, 2015

Annexure to the Independent Auditors' Report on the Consolidated Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes one jointly controlled company incorporated in India, to which the Order is applicable, which has been audited by other auditor and our report in respect of this company is based solely on the report of the other auditor, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

1. In respect of the fixed assets of the Holding Company, subsidiary companies and jointly controlled company incorporated in India:
 - a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Holding Company, subsidiary companies and jointly controlled company incorporated in India have a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion and the opinion of the other auditor, is reasonable having regard to the size of the respective entities and the nature of their assets. Pursuant to the program, certain fixed assets were physically verified by the Management of the respective entities during the year. According to information and explanation given to us the Management is in the process of reconciling the results of such physical verification with the fixed assets register in case of Holding company and one of the subsidiaries and believes that differences if any, arising out of such reconciliation are not expected to be material. According to the information and explanations given to us and the other auditor, in respect of other subsidiaries and jointly controlled company, the discrepancies noticed on such verification were not material and have been adjusted in the books of account.
2. In respect of the inventories of the Holding Company, subsidiary companies and jointly controlled company incorporated in India:
 - a) As explained to us, the inventories, except for those lying with the third parties, were physically verified during the year by the Management of the respective entities at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
 - c) In our opinion and according to the information and explanations given to us, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
3. The Holding Company, subsidiary companies and jointly controlled company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
4. In our opinion and the opinion of the other auditor and according to the information and explanations given to us and the other auditor, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company, subsidiary companies and jointly controlled company incorporated in India commensurate with the size of the respective entities and the nature of their business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our and the other auditor's audit, no major weakness in such internal control system has been observed.
5. According to the information and explanations given to us, the Holding Company, subsidiary companies and jointly controlled company incorporated in India have not accepted any deposit from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act.
6. According to the information and explanations given to us, in our opinion, the Holding Company has, *prima facie*, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Act. We have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us and the other auditor, in respect of statutory dues of the Holding Company, subsidiary companies and jointly controlled company incorporated in India:
 - a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax / Sales Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities. As explained to us, the Group did not have any dues on account of Excise duty and Investor Education and Protection Fund.
 - b) There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax / Sales Tax, Cess and other material statutory dues in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - c) There are no amounts that are due to be transferred by the aforesaid entities to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
 - d) There are no dues of Wealth Tax and Cess which have not been deposited on account of any dispute. Details of dues of Income Tax, Sales Tax, Service Tax, Customs duty and Entry Tax which have not been deposited as on 31st March 2015 by the aforesaid entities on account of disputes are given below:

Name of the Statute	Nature of Dues	Period to which the amount pertains	Amount (in Mn)	Forum where the dispute is pending
Customs Act, 1962	Custom Duty	2003-04	7.12	Customs Excise & Service Tax Appellate Tribunal
Haryana Land Development Tax Act, 2001	Entry Tax	2002-03	9.52	State Tax Tribunal
Himachal Pradesh Entry Tax Act, 2010	Entry Tax	2010-15	56.77	Asst. Excise & Taxation Commissioner
Karnataka Tax on Entry of Goods Act, 1979	Entry Tax	2004-05	8.92	High Court of Karnataka
MP Entry Tax Act, 1976	Entry Tax	1998-01	0.13	Asst. Commissioner, Entry Tax
MP Entry Tax Act, 1976	Entry Tax	2001-06	6.51	State Tax Tribunal
MP Entry Tax Act, 1976	Entry Tax	2007-09, 2012-13	23.48	Deputy Commissioner (Appeals)
MP Entry Tax Act, 1976	Entry Tax	1998-01, 2003-04, 2005-12	137.37	Madhya Pradesh High Court
Rajasthan Tax On Entry of Goods Into Local Areas Act, 1999	Entry Tax	2008-11, 2012-14	35.69	Supreme Court
The Bihar Value Added Tax Act, 2005	Entry Tax	2010-12	1.06	Joint Commissioner (Appeals)
The Jammu & Kashmir Entry Tax on Goods Act, 2000	Entry Tax	2009-13	77.42	Srinagar High Court
The Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry Tax	2007-08	2.03	State Tax Tribunal
The Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry Tax	1999-00, 2001-05, 2006-07, April 2007 to December 2007	8.63	High Court Allahabad
The Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry Tax	January 2008 to March 2008	4.16	State Tax Tribunal
Uttar Pradesh Trade Tax Act, 1948	Entry Tax	2005-06	0.17	Additional Commissioner (Appeals)
Uttar Pradesh Trade Tax Act, 1948	Entry Tax	2008-10	5.17	High Court Allahabad
Uttar Pradesh Trade Tax Act, 1948 (UTTRAKHAND AMENDMENT)	Entry Tax	2001-04	0.57	High Court Nainital
Orissa Entry Tax Act, 1999	Entry Tax	November 2008 to October 2009	5.20	Supreme Court
Income Tax Act, 1961	Income Tax	2001-15	53,082.85	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2010-13	10.45	Deputy Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	2007-10	0.32	High Court Gujarat
Income Tax Act, 1961	Income Tax	2001-02	1.38	High Court of Karnataka
Income Tax Act, 1961	Income Tax	2003-05, 2006-12	126.94	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2007-09	0.09	Income Tax Officer
Central Sales Tax Act, 1956	Sales Tax	2011-12	0.09	Commissioner of Commercial Taxes (Appeals)
Central Sales Tax Act, 1956	Sales Tax	2008-09, 2010-11	5.39	Deputy Commissioner, Sales Tax
Gujarat Sales Tax Act, 1969	Sales Tax	April 2006 to December 2006	0.83	Assessing Officer
Gujarat Sales Tax Act, 1969	Sales Tax	1998-02	7.04	State Tax Tribunal
Kerala Sales Tax Act, 1963	Sales Tax	1997-98	0.05	State Tax Tribunal
Kerala Sales Tax Act, 1963	Sales Tax	1998-99	0.06	Deputy Commissioner, Sales Tax
Madhya Pradesh Commercial Tax Act, 1994	Sales Tax	2000-01	0.31	CG Appellate Board
Madhya Pradesh Commercial Tax Act, 1994	Sales Tax	2003-11	25.96	State Tax Tribunal

Name of the Statute	Nature of Dues	Period to which the amount pertains	Amount (in Mn)	Forum where the dispute is pending
Madhya Pradesh Commercial Tax Act, 1994	Sales Tax	2011-13	6.96	Deputy Commissioner (Appeals)
Maharashtra Value Added Tax Act, 2002	Sales Tax	2008-09	308.42	Deputy Commissioner, Sales Tax
The Bihar Value Added Tax Act, 2005	Sales Tax	2008-09, 2010-13	16.48	State Tax Tribunal
The Bihar Value Added Tax Act, 2005	Sales Tax	2009-10, 2013-14	5.55	Joint Commissioner (Appeals)
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2005-06, 2008-10	0.59	Joint Commissioner (Appeals)
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2012-14	3.86	Assessing Officer
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2007-08	0.58	State Tax Tribunal
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	2009-12, April 2013 to August 2013	8.79	Additional Commissioner (Appeals)
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	April 2012 to July 2012	1.54	Deputy Commissioner, Sales Tax
Delhi Value Added Tax Act, 2004	Sales Tax	2007-08	11.84	State Tax Tribunal
The Jammu & Kashmir General Sales Tax Act, 1962	Sales Tax	2009-15	299.80	Srinagar High Court
Kerala VAT Act, 2003	Sales Tax	2011-12	1.38	Asst. Commissioner, Sales Tax
Kerala VAT Act, 2003	Sales Tax	2005-06, 2009-10, 2012-15	1.12	Intelligence Officer
The West Bengal Value Added Tax Act, 2003	Sales Tax	2011-12	0.65	Commissioner of Commercial Taxes (Appeals)
The Finance Act, 1994	Service Tax	2005-07, April 2007 to July 2007, 2008-10	4.27	Commissioner of Central Excise & Service Tax (Appeals)
The Finance Act, 1994	Service Tax	April 2004 to December 2008	58.82	Commissioner of Service Tax
The Finance Act, 1994	Service Tax	2003-12	703.38	Customs Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	2006-08, October 2008 to September 2009, October 2009 to February 2010, October 2011 to June 2012	533.74	High Court Mumbai
The Finance Act, 1994	Service Tax	October 1998 to March 1999, April 2002 to September 2002, 2004-07	12.54	Punjab and Haryana High Court
Kerala Value Added Tax	VAT	2011-12	0.30	Intelligence Inspector, Squad II, Ernakulam
Uttar Pradesh Value Added Tax Act, 2008	CST	2009-10	0.30	Deputy Commissioner Appeal DC-12-UPE
Uttar Pradesh Value Added Tax Act, 2008	VAT	2010-11	0.03	Additional Commissioner Grade-2 (Appeal)
Uttar Pradesh Value Added Tax Act, 2008	VAT	2013-14	1.58	Assessing Officer, UPE
Income-tax Act, 1961	Income-tax	2008-09	7,392.74	Appellate Tribunal (Income tax)
Income-tax Act, 1961	Income-tax	2009-10	23,721.02	Appellate Tribunal (Income tax)
Bihar Value Added Tax Act 2005	Entry Tax	2008-09	8.96	Commercial Tax Officer, Patliputra Circle, Patna
Bihar Value Added Tax Act 2005	Entry Tax	2009-10	0.79	Commercial Tax Officer, Patliputra Circle, Patna
Finance Act, 1994 (Service Tax provisions)	Service Tax	2008-09 and 2009-10	161.60	CESTAT – Kolkata

In respect of jointly controlled Company:

Name of the Statute (Note 1)	Nature of Dues (Note 1)	Period to which the amount pertains (Note 1)	Amount (in Mn.) (Note 1)	Amount (in Mn.) (Note 2)	Forum where the dispute is pending (Note 1)
The Kerala Value Added Tax Act, 2003	VAT on service revenue	Financial Year 2008-09	42.00	6.72	Honorable High Court of Kerala
The Tamil Nadu Value Added Tax, 2006	VAT on service revenue	Financial Year 2008-09, 2009-10	3,898.00	623.68	Honorable High Court of Tamil Nadu
Finance Act, 1994	Service Tax on Capital Goods	Financial Year 2008-09 to 2012-13	15,294.00	2447.04	As informed, the company is in the process of filing an appeal with CESTAT
Income Tax Act, 1961	Lower deduction of TDS	Financial Year 2010-11 and 2011-12	129.00	20.64	Income Tax Commissioner (Appeals)

Note 1: The amounts and items disclosed above are based on those reported in the respective auditors' reports.

Note 2: The amounts represent share in the jointly controlled company.

8. The Group does not have consolidated accumulated losses at the end of the financial year and the Group has not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and the opinion of the other auditor and according to the information and explanations given to us and the other auditor, the Holding Company, subsidiary companies and jointly controlled company incorporated in India have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
10. According to the information and explanations given to us, the Holding Company, subsidiary companies and jointly controlled company incorporated in India have not given any guarantee for loans taken by others from banks and financial institutions.
11. In our opinion and the opinion of the other auditor and according to the information and explanations given to us and the other auditor, the term loans have been applied by the Holding Company, subsidiary companies and jointly controlled company incorporated in India during the year for the purposes for which they were obtained, other than temporary deployment pending application.
12. To the best of our knowledge and according to the information and explanations given to us and the other auditor, no fraud by the Holding Company, its subsidiary companies and jointly controlled company incorporated in India and no material fraud on the Holding Company, its subsidiary companies and jointly controlled company incorporated in India has been noticed or reported during the year.

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

Khurshed Pastakia
Partner
(Membership No. 31544)

Place : Mumbai
Date : 28th April, 2015

Consolidated Balance Sheet as at March 31, 2015

₹ Mn

Particulars	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	35,978.44	33,196.32
Reserves and Surplus	4	194,294.70	132,054.17
		230,273.14	165,250.49
Compulsorily Convertible Preference Shares (issued by Subsidiary Company)		19.25	19.25
Non-Current Liabilities			
Long-Term Borrowings	5	166,031.82	181,284.05
Deferred Tax Liabilities (Net)	6	19,015.24	18,132.83
Other Long-Term Liabilities	7	9,632.84	9,229.11
Long-Term Provisions	8	5,735.14	4,985.96
		200,415.04	213,631.95
Current Liabilities			
Short-Term Borrowings	9	2,073.03	6,471.63
Trade Payables (including amount referred to in Notes 40 & 43)		30,973.94	27,879.98
Other Current Liabilities	10	137,892.38	50,444.38
Short-Term Provisions	11	3,021.33	1,876.89
		173,960.68	86,672.88
TOTAL		604,668.11	465,574.57
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	213,136.41	218,632.38
Intangible Assets	12	142,199.72	77,326.08
Capital Work-in-Progress	12	51,405.32	114,194.13
Goodwill on Consolidation		61.20	61.20
Long-Term Loans and Advances	13	42,751.91	28,970.68
Other Non-Current Assets	14	458.00	1,448.37
		450,012.56	440,632.84
Current Assets			
Current Investments	15	115,267.30	2,155.34
Inventories	16	710.34	683.08
Trade Receivables	17	9,789.10	8,006.20
Cash and Bank Balances	18	15,537.24	1,880.96
Short-Term Loans and Advances	19	12,289.89	12,181.50
Other Current Assets	20	1,061.68	34.65
		154,655.55	24,941.73
TOTAL		604,668.11	465,574.57
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered AccountantsKhurshed Pastakia
Partner
Membership No.: 31544Place : Mumbai
Date : April 28, 2015

For and on behalf of the Board

Arun Thiagarajan
DirectorAkshaya Moondra
Chief Financial OfficerGian Prakash Gupta
DirectorPankaj Kapdeo
Company SecretaryHimanshu Kapania
Managing Director

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

₹ Mn

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Service Revenue		313,551.53	262,071.27
Sale of Trading Goods		1,717.21	2,248.41
Other Operating Income	21	440.12	869.37
Revenue from Operations		315,708.86	265,189.05
Other Income	22	4,696.72	2,268.05
TOTAL		320,405.58	267,457.10
OPERATING EXPENDITURE			
Cost of Trading Goods Sold	23	1,451.66	1,927.00
Personnel Expenditure	24	15,298.68	13,121.17
Network Expenses and IT Outsourcing Cost	25	71,956.87	64,990.27
License Fees and Spectrum Usage Charges	26	35,351.47	29,237.98
Roaming and Access Charges	27	47,313.23	41,615.64
Subscriber Acquisition and Servicing Expenditure	28	23,751.59	19,806.63
Advertisement and Business Promotion Expenditure		5,031.11	4,867.01
Administration and Other Expenses	29	7,437.58	6,702.90
		207,592.19	182,268.60
PROFIT BEFORE FINANCE CHARGES, DEPRECIATION, AMORTISATION & TAXES		112,813.39	85,188.50
Interest and Finance Charges	30	10,451.85	9,551.85
Depreciation	12	45,896.47	38,855.15
Amortisation of Intangible Assets	12	7,139.75	6,338.85
PROFIT BEFORE TAX		49,325.32	30,442.65
Provision for Taxation – Current		16,554.45	6,687.95
– Deferred		882.41	5,454.11
– MAT Credit		(40.60)	(1,377.61)
PROFIT AFTER TAX		31,929.06	19,678.20
Earnings Per Share of ₹ 10/- each fully paid up (in ₹)	47		
Basic		9.03	5.93
Diluted		8.99	5.92
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Khurshed Pastakia
Partner
Membership No.: 31544

Place : Mumbai
Date : April 28, 2015

For and on behalf of the Board

Arun Thiagarajan
Director

Akshaya Moondra
Chief Financial Officer

Gian Prakash Gupta
Director

Pankaj Kapdeo
Company Secretary

Himanshu Kapania
Managing Director

Notes forming part of the Consolidated Financial Statements

1. CORPORATE INFORMATION

Idea Cellular Limited (“the Company”), an Aditya Birla Group company, is currently the third largest telecom service providers in India. The Company is engaged in the business of Mobility and Long Distance services. The subsidiaries are in the business of sale of Handsets and Data cards, mobile banking services and passive infrastructure services. The Joint Venture is in the business of providing passive infrastructure services.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements:

The Consolidated Financial Statements of Idea Cellular Limited, its subsidiary companies and Joint Venture (together referred to as the “Group”) have been prepared in accordance with Accounting Standard 21 on “Consolidated Financial Statements” and Accounting Standard 27 on “Financial Reporting of Interests in Joint Ventures” notified under Section 133 of the Companies Act, 2013. The Consolidated Financial Statements are prepared under historical cost convention on accrual basis and mandatory applicable accounting standards in India.

All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Schedule III to the Companies Act, 2013.

b) Principles of Consolidation:

The basis of preparation of the Consolidated Financial Statements is as follows:

The Financial Statements (the Balance Sheet and the Statement of Profit and Loss) of the Company, its subsidiaries and group’s share in joint venture have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income, expenses and tax, after eliminating intra-group balances, transactions and the resulting unrealised profit or losses.

The Financial Statements of the subsidiaries and joint venture used in the consolidation are drawn upto March 31, 2015, the same reporting date as that of the Company.

The differential with respect to the cost of investments in the subsidiaries over the Company’s portion of equity is recognised as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is tested for impairment.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except where stated otherwise.

The Consolidated Financial Statements includes following subsidiaries along with Company’s holding therein, is as under:

Sr. No.	Name of the Company	Voting Power % as at	
		March 31, 2015	March 31, 2014
1	Idea Telesystems Limited	100.00	100.00
2	Aditya Birla Telecom Limited	100.00	100.00
3	Idea Cellular Services Limited	100.00	100.00
4	Idea Cellular Infrastructure Services Limited	100.00	100.00
5	Idea Mobile Commerce Services Limited	100.00	100.00

The Consolidated Financial Statements also include following Joint Venture along with Company’s holding therein, is as under:

Sr. No.	Name of the Company	Voting Power % as at	
		March 31, 2015	March 31, 2014
1	Indus Towers Limited (Indus)	16.00*	16.00*

*Entire shareholding is held by Aditya Birla Telecom Limited

All the above subsidiaries and joint venture are incorporated in India.

c) Fixed Assets:

Fixed assets are stated at cost of acquisition and installation less accumulated depreciation/amortisation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, levies, any directly attributable cost incurred for bringing the assets to their working condition for intended use and borrowing cost attributable to fixed assets which take substantial period of time to get ready for intended use.

Asset retirement obligations are capitalised based on a constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Such costs are depreciated over the remaining useful life of the asset.

Gains and losses arising from retirement or disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Profit and Loss on the date of retirement or disposal.

Notes forming part of the Consolidated Financial Statements

d) Expenditure during pre-operative period of license:

Expenses incurred on project and other charges during construction period are included under pre-operative expenditure (grouped under capital work-in-progress) and are allocated to the cost of fixed assets on the commencement of commercial operations.

e) Depreciation and Amortisation:

Depreciation on tangible fixed assets is provided using straight line method on pro rata basis over their estimated useful economic lives as given below. The useful life is taken as prescribed in Schedule II to the Companies Act, 2013 except where the estimated useful economic life has been assessed to be different based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset, and manufacturers warranties, maintenance and support period, etc. Basis the above, the estimated useful life of all assets except towers in the joint venture are either lower or same as prescribed in Schedule II of the Companies Act, 2013.

Tangible Assets	Years
Buildings	9 to 30
Network Equipments (including Towers and Shelters)	7 to 20
Optical Fibre	15
Other Plant and Machineries	3 to 5
Computers	3 to 5
Furniture and Fixtures	3 to 10
Motor Vehicles	Upto 5
Leasehold Improvements	Period of lease
Leasehold Land	Period of Lease

Intangible Assets are amortised on straight line method as under:-

- Cost of Rights, License amounts (including amounts paid on fixed basis prior to revenue share regime) and amount paid for Spectrum is amortised on commencement of operations over the validity period.
- Software, which is not an integral part of hardware, is treated as an intangible asset and is amortised over its useful economic life as estimated by the management between 3 to 5 years.
- Bandwidth/Fibre taken on Indefeasible Right of Use (IRU) is amortised over the agreement period.

Assets costing upto ₹ 5,000/- are depreciated fully in the month of purchase.

f) Inventories:

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis.

g) Foreign Currency Transactions, Forward Contracts & other Derivatives:

i) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rates prevailing at the date of the transactions. As per the transitional provisions given in the notification issued by Ministry of Corporate Affairs dated March 31, 2009, the company has opted for the option of adjusting the exchange difference on long term foreign currency monetary items to the cost of the assets acquired out of these foreign currency monetary items. The company has aligned its accounting policy based on this notification and its further amendment.

Exchange difference arising out of fluctuation in exchange rates on settlement/period end is accounted based on the nature of transaction as under:

- Short term foreign currency monetary assets and liabilities: recognised in the Statement of Profit and Loss.
- Long term foreign currency monetary liabilities used for acquisition of fixed assets: adjusted to the cost of the fixed assets and amortised over the remaining useful life of the asset.
- Other Long term foreign currency monetary liabilities: recognised in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the period of liability not exceeding March 31, 2020.

ii) Forward Contracts & Other Derivatives:

Premium/discount amount on forward contract is amortised on period basis related to the contract it pertains to, profit or loss arising on cancellation of forward exchange contract is recognised in the period in which the contract is cancelled.

Derivative contracts not covered under Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates", entered for hedging foreign currency fluctuations and interest rate risk are marked to market at each reporting date. Loss, if any, on such valuation is recognised in the Statement of Profit and Loss in that period and gain if any, is not recognised as per the principle of prudence enunciated in Accounting Standard 1, "Disclosure of Accounting Policies".

h) Taxation:

- Current Tax:** Provision for current Income tax is made on the taxable income using the applicable tax rates and tax laws. Advance Income Tax and Provision for Current Tax for the same legal entity is disclosed in the balance sheet at net as these are settled on net basis.

Notes forming part of the Consolidated Financial Statements

- ii) **Deferred Tax:** Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is virtual certainty with respect to the reversal of the same in future years.
- iii) **Minimum Alternate Tax (MAT) credit:** MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the legal entity will pay normal Income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT Credit Entitlement. The legal entity reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that it will pay normal Income tax during the specified period.
- i) **Retirement Benefits:**
- Contributions to Provident and Pension funds are funded with the appropriate authorities and charged to the Statement of Profit and Loss.
- Contributions to Superannuation are funded with the Life Insurance Corporation of India and charged to the Statement of Profit and Loss.
- Liability for Gratuity as at the period end is provided on the basis of actuarial valuation and funded with Life Insurance Corporation of India.
- Provision in accounts for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the period end.
- j) **Revenue Recognition and Receivables:**
- Revenue on account of telephony services (mobile & long distance) and sale of handsets and related accessories is recognised net of rebates, discount, service tax, etc. on rendering of services and supply of goods respectively. Recharge fees on recharge vouchers is recognised as revenue as and when the recharge voucher is activated by the subscriber.
- Revenue from passive infrastructure is recognised on accrual basis (net of reimbursements) as per the contractual terms on straight line method over the contract period.
- Unbilled Receivables, represent revenues recognised from the bill cycle date to the end of each month. These are billed in subsequent periods as per the agreed terms.
- Debts (net of security deposits outstanding there against) due from subscribers, which remain unpaid for more than 90 days from the date of bill and/or other debts which are otherwise considered doubtful, are provided for.
- Provision for doubtful debts on account of Interconnect Usage Charges (IUC), Roaming Charges and passive infrastructure sharing from other telecom operators is made for dues outstanding more than 180 days from the date of billing other than cases when an amount is payable to that operator or in specific case when management is of the view that the amount is recoverable.
- k) **Interest & Dividend Income:**
- Interest income is recognised on accrual basis on the outstanding amount and applicable interest rate. Dividend income is accounted once the right to receive the income is established.
- l) **Investments:**
- Current Investments are stated at lower of cost or fair value in respect of each separate investment. Gain on sale of current Investment is accounted on actual sale of investment and loss, if any, is accounted for as soon as it is ascertained.
- Long-term Investments are stated at cost less provision for diminution in value other than temporary, if any.
- m) **Borrowing Cost:**
- Interest and other costs incurred in connection with the borrowing of funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalised with the fixed assets.
- n) **License Fees – Revenue Share:**
- With effect from August 1, 1999 the variable License fee computed at prescribed rates of revenue share is being charged to the Statement of Profit and Loss in the period in which the related revenue arises. Revenue for this purpose comprises adjusted gross revenue as per the license agreement of the license area to which the license pertains.
- o) **Use of Estimate:**
- The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial

Notes forming part of the Consolidated Financial Statements

statements and the reported amounts of revenues and expenses during the reporting year. Differences between actual results and estimates are recognised in the periods in which the results are known/materialise.

p) Leases:

- i) **Operating Lease:** Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor is classified as operating leases. Lease payments/income for/from an operating lease are recognised as expense/income in the Statement of Profit and Loss, on a straight line or other systematic basis over the lease term.
- ii) **Finance Lease:** Leased assets acquired on which significant risks and rewards of ownership effectively transferred to the Group are capitalised at lower of fair value or the amounts paid under such lease arrangements. Such assets are amortised over the period of lease or estimated life of such assets whichever is less.

q) Earnings Per Share:

The earnings considered in ascertaining the Group's Earning Per Share (EPS) comprise of the net profit after tax, after reducing dividend on Cumulative Preference Shares for the period (irrespective of whether declared, paid or not), as per Accounting Standard 20 on "Earning Per Share". The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

r) Impairment of Assets:

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in accordance with Accounting Standard 28 on "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in use. For the purpose of impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

s) Provisions & Contingent Liability:

Provisions are recognised when the Group has a present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

t) Share Issue Expenditure:

Expenses incurred in connection with issue of equity shares are adjusted against Securities Premium Account.

u) Employee Stock Option:

In respect of stock option granted pursuant to the Company's Employee Stock Option Scheme, the intrinsic value of the option is treated as discount and accounted as employee compensation cost over the vesting period.

In respect of re-pricing of existing stock option, the incremental intrinsic value of the option is accounted for as employee cost over the remaining vesting period.

Notes forming part of the Consolidated Financial Statements

3 SHARE CAPITAL

a) Authorised, Issued, Subscribed and Paid-up Share Capital:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Numbers	₹ Mn	Numbers	₹ Mn
Authorised				
Equity Shares of ₹ 10 each	6,775,000,000	67,750.00	6,775,000,000	67,750.00
Redeemable Cumulative Non Convertible Preference Shares of ₹ 10 Mn each	1,500	15,000.00	1,500	15,000.00
	6,775,001,500	82,750.00	6,775,001,500	82,750.00
Issued, Subscribed and Paid-Up				
Equity Share Capital				
Equity Shares of ₹ 10 each fully paid up	3,597,844,427	35,978.44	3,319,631,761	33,196.32
Total	3,597,844,427	35,978.44	3,319,631,761	33,196.32

- i) Out of the above, 199,153,469 Equity Shares are allotted as fully paid up under the Scheme of amalgamation of Spice Communications Limited without payment being received in cash. Spice Communications Limited was merged with the company effective March 1, 2010.

b) Share Options granted under the Employee Stock Option Schemes:

The Company has granted stock options under the Employee Stock Option Scheme (ESOS) 2006 and stock options as well as Restricted Stock Units (RSU's) under ESOS 2013 to its eligible employees from time to time. These Options would vest in 4 equal annual installments after one year of the grant and the RSU's will vest after 3 years from the date of grant. The maximum period for exercise of Options and RSU's is 5 years from the date of vesting. Each Option and RSU when exercised would be converted into one fully paid-up equity share of ₹ 10/- of the Company. The Options granted under ESOS 2006 and Options as well as RSU's granted under the ESOS 2013 scheme carry no rights to dividends and no voting rights till the date of exercise. As at the end of financial year, details of outstanding options are as follows:

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
i) Options granted under ESOS 2006				
Options outstanding at the beginning of the year	7,344,086	51.06	12,757,580	50.44
Options granted during the year	-	-	-	-
Options forfeited/lapsed during the year	29,250	68.86	75,749	61.49
Options exercised during the year	2,453,513	49.53	5,309,995	49.48
Options expired during the year	9,750	45.55	27,750	39.30
Options outstanding at the end of the year	4,851,573	51.74	7,344,086	51.06
Options exercisable at the end of the year	4,851,573	51.74	6,779,520	49.58
Range of exercise price of outstanding options (₹)	39.30 - 68.86		39.30 - 68.86	
Remaining contractual life of outstanding options (years)	0.31 - 4.82		0.31 - 5.82	

Notes forming part of the Consolidated Financial Statements

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
ii) Options granted under ESOS 2013				
Options outstanding at the beginning of the year	18,565,428	126.45	-	-
Options granted during the year	559,677	150.10	18,565,428	126.45
Options forfeited/lapsed during the year	427,809	126.45	-	-
Options exercised during the year	40,016	126.45	-	-
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	18,657,280	127.16	18,565,428	126.45
Options exercisable at the end of the year	4,494,393	126.45	-	-
Range of exercise price of outstanding options (₹)	126.45 - 150.10		126.45	
Remaining contractual life of outstanding options (years)	4.87 - 8.75		5.87 - 8.87	
iii) RSU's granted under ESOS 2013				
Options outstanding at the beginning of the year	8,105,587	10.00	-	-
Options granted during the year	254,499	10.00	8,105,587	10.00
Options forfeited/lapsed during the year	199,978	10.00	-	-
Options exercised during the year	-	-	-	-
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	8,160,108	10.00	8,105,587	10.00
Options exercisable at the end of the year	-	-	-	-
Range of exercise price of outstanding options (₹)	10.00		10.00	
Remaining contractual life of outstanding options (years)	6.87 - 7.75		7.87	

₹ Mn

Particulars	As at March 31, 2015	As at March 31, 2014
4 RESERVES AND SURPLUS		
a) Debenture Redemption Reserve		
Balance at the beginning of the year	238.30	93.15
Add: Transfer from Statement of Profit and Loss	103.48	145.15
Balance at the end of the year	341.78	238.30
b) Securities Premium Account		
Balance at the beginning of the year	89,914.99	89,611.75
Add: Premium on issue of shares under ESOS scheme	147.13	303.24
Add: Premium on issue of shares via QIP and Preferential Allotment (Net of Share Issue Expenses of ₹ 252.63 Mn.)	34,490.18	-
Balance at the end of the year	124,552.30	89,914.99
c) Outstanding Employee Stock Options		
Balance at the beginning of the year	163.67	214.19
Add: Charge for the period (Refer Note 39)	313.29	43.07
Less: Transfer to Securities Premium Account on exercise of Options	45.47	93.59
Balance at the end of the year	431.49	163.67

Notes forming part of the Consolidated Financial Statements

₹ Mn

Particulars	As at March 31, 2015	As at March 31, 2014
d) General Reserve		
Balance at the beginning of the year	4,432.18	502.59
Add: Reserve created by JV on merger as per scheme	-	5,259.35
Less: Depreciation charge on Fair Value portion of fixed assets by JV	746.92	1,215.22
Less: Group's share of JV's discrepancy in physical verification of fixed assets as per scheme	8.80	114.54
Balance at the end of the year	3,676.46	4,432.18
f) Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	37,305.03	19,468.74
Add: Profit during the period	31,929.06	19,678.20
Less: Transfer to Debenture Redemption Reserve	103.48	145.15
Less: Dividend Distribution Tax on Interim Dividend by JV	1,110.23	142.40
Less: Proposed Dividend * (Refer Note 53)	2,269.43	1,328.57
Less: Dividend Distribution Tax on Proposed Dividend * (Refer Note 53)	458.28	225.79
Balance at the end of the year	65,292.67	37,305.03
Total	194,294.70	132,054.17
* Proposed Dividend includes ₹ 110.72 Mn. (Previous year ₹ 0.72 Mn.) and Dividend Distribution Tax on proposed dividend includes ₹ 18.82 Mn. (Previous year ₹ 0.12 Mn.) which is paid in the current financial year related to previous financial year for shares issued after balance sheet date and before record date of dividend.		
5 LONG TERM BORROWINGS		
SECURED LOANS		
396 (Previous year 471) 9.45% Redeemable Non Convertible Debentures of ₹ 10 Mn. each	3,960.00	4,710.00
(Out of the 1,000 NCDs issued originally, the Company has re-purchased 604 NCDs of ₹ 10 Mn. each, aggregating to ₹ 6,040 Mn. with an option to re-issue the same in future)		
Term Loans		
Foreign Currency Loan		
- From Others	44,142.92	51,078.20
Rupee Loan		
- From Banks	13,097.69	19,555.62
- From Others	6,298.67	7,144.11
Vehicle Loan from Banks	288.89	288.46
	67,788.17	82,776.39
UNSECURED LOANS		
Term Loans		
Foreign Currency Loan		
- From Banks	4,506.54	11,089.49
Rupee Loan		
- From Others	195.60	-
Deferred Payment Liability towards Spectrum	93,541.51	87,418.17
	98,243.65	98,507.66
Total	166,031.82	181,284.05

Notes forming part of the Consolidated Financial Statements

a) Security Clause for borrowings of the Company

Secured Loans are covered by:

Term Loans including current maturities are secured by way of first charge/assignment ranking pari-passu inter se the lenders, as under:

- i) First charge on all the movable and immovable properties of the Company respectively,
- ii) First charge over all intangible assets (excluding Telecom Licenses and Spectrum) of the Company,
- iii) Assignment of the rights, titles and interest, on deposits, investments, bank accounts, book debts, insurance covers, other general assets, letters of credit and guarantees, provided in favour of the Company.

Out of the above Loan, Foreign Currency Loan amounting to ₹ Nil (Previous year ₹ 51,938.56 Mn.) additionally have pledge on 60% shareholding of Indus Towers Limited held by wholly owned subsidiary. Further, Foreign Currency Loan amounting to ₹ 5,803.22 Mn. (Previous year ₹ 6,764.01 Mn.) & Rupee Loan amounting to ₹ Nil (Previous year ₹ 8,182.25 Mn.) included above, have additional security as first priority charge over certain Telecom Licenses also. NCD amounting to ₹ 3,960.00 Mn. (Previous year ₹ 4,710.00 Mn.) have pari-passu charge only on the tangible fixed assets of the Company.

Vehicle Loans including current maturities is secured by hypothecation of Vehicles against which the loans have been taken.

b) Security Clause for the Group's share in borrowings of the Joint Venture

Secured Loans are covered by:

Term Loans including current maturities are secured by way of first charge pari-passu inter se the lenders, as under:

- i) First charge by way of hypothecation of the Joint venture's entire movable assets, plant and machinery, including tower, related equipment and spares, tools & accessories, furniture & fixtures, vehicles and all other movable assets, present and future,
- ii) Charge on Joint venture's cash flows, receivables, book debts, revenues of whatsoever nature and wherever arising, present and future subject only to prior charge in favour of working capital lenders with working capital facility limits not exceeding ₹ 10,000 Mn. (amount in absolute figures) including funded facilities,
- iii) First charge over the amount in the Debt Service Account opened and maintained in accordance with the terms of this Agreement and the Debt Service Account Agreement.

c) Repayment Terms of outstanding Long Term borrowings (excluding current maturities) of the Company as on March 31, 2015

Repayment Terms for Secured Foreign Currency Borrowings:

Facility 1 (₹ 8,928.05 Mn.) -

Tranche 1 - Balance amount is repayable in 7 equal half yearly installments starting September, 2016

Tranche 2 - Balance amount is repayable in 10 equal half yearly installments starting August, 2016

Facility 2 (₹ 6,084.71 Mn.) - Balance amount is repayable in 11 equal half yearly installments starting June, 2016

Facility 3 (₹ 4,674.75 Mn.) - Balance amount is repayable in 15 equal half yearly installments starting April, 2016

Facility 4 (₹ 7,111.12 Mn.) -

Tranche 1 - Balance amount is repayable in 8 equal half yearly installments starting April, 2016

Tranche 2 - Balance amount is repayable in 2 equal half yearly installments starting April, 2020

Facility 5 (₹ 5,816.05 Mn.) - Balance amount is repayable in 11 equal half yearly installments starting May, 2016

Facility 6 (₹ 6,584.21 Mn.) -

Tranche 1 - Balance amount is repayable in 13 equal half yearly installments starting July, 2016

Tranche 2 - Balance amount is repayable in 11 equal half yearly installments starting July, 2016

Facility 7 (₹ 4,944.03 Mn.) - Balance amount is repayable as follows:

- i) 13 equal quarterly installments of 4.13% each of the total drawn amount starting July, 2016
- ii) 4 equal quarterly installments of 4.75% each of the total drawn amount starting July, 2019

Repayment Terms for Secured INR Borrowings:

Facility 1 (₹ 4,025.00 Mn.) - Balance amount is repayable in 4 equal quarterly installments starting June, 2016

Facility 2 (₹ 9,600.00 Mn.) - Balance amount is repayable in 8 equal quarterly installments starting June, 2016

NCDs (₹ 3,960.00 Mn.) - Repayable in October, 2019

Vehicles Loans are repayable in equal monthly installments over the term of the loan ranging from 2 to 4 years

Notes forming part of the Consolidated Financial Statements

Repayment Terms for Unsecured Foreign Currency Borrowings:

Facility 1 (₹ 4,506.54 Mn.) - Balance amount is repayable in June, 2018

Repayment Terms for Deferred Payment Liability (DPL):

DPL for Spectrum won in November 2012 (₹ 13,454.83 Mn.) - Balance amount and interest thereon is repayable in 9 equated annual installments starting December, 2016.

DPL for Spectrum won in February 2014 (₹ 80,086.69 Mn.) - Balance amount and interest thereon is repayable in 10 equated annual installments starting March, 2017.

- d) Repayment Terms of the Group's share in outstanding long term borrowings (excluding current maturities) of the Joint Venture as on March 31, 2015

Repayment Terms for Secured INR Borrowings:

Facility 1 (₹ 3,146.67 Mn.) - Balance amount is repayable in 18 equal quarterly installments starting May, 2016

Facility 2 (₹ 200.00 Mn.) - Balance amount is repayable in 2 equal quarterly installments starting May, 2016

Facility 3 (₹ 463.16 Mn.) - Balance amount is repayable in 11 equal quarterly installments starting May, 2016

Facility 4 (₹ 252.81 Mn.) - Balance amount is repayable in 11 equal quarterly installments starting May, 2016

Facility 5 (₹ 556.73 Mn.) - Balance amount is repayable in 14 equal quarterly installments starting June, 2016

Facility 6 (₹ 1,152.00 Mn.) - Balance amount is repayable in 24 equal quarterly installments starting June, 2016

Repayment Terms for Unsecured INR Borrowings

Facility 1 (₹ 195.60 Mn.) - The loan is repayable to one of the joint venture partner, once the Joint venture receives refund of advance tax recognised pursuant to the Scheme of merger.

- e) Summary of Repayment terms

Particulars	Loan repayable in		
	1 to 2 years	2 to 5 years	After 5 years
Secured	19,500.32	37,967.49	10,320.36
Unsecured	7,421.45	18,334.76	72,291.84
Total	26,921.77	56,302.25	82,612.20

Particulars	As at	
	March 31, 2015	March 31, 2014
6 DEFERRED TAX LIABILITIES		
Major components of Deferred Tax are:		
a) Deferred Tax Liability:		
Depreciation & Amortisation	20,490.83	19,271.61
Revenue Equalisation Reserve and Others	1,411.84	1,315.20
Total Deferred Tax Liability (A)	21,902.67	20,586.81
b) Deferred Tax Asset:		
Provision for Doubtful Debts	1,267.36	1,237.46
Expenses allowable on payment basis	1,339.57	944.69
Others	280.50	271.83
Total Deferred Tax Asset (B)	2,887.43	2,453.98
Net Deferred Tax Liability (A - B)	19,015.24	18,132.83

Notes forming part of the Consolidated Financial Statements

		₹ Mn	
	Particulars	As at March 31, 2015	As at March 31, 2014
7	OTHER LONG TERM LIABILITIES		
	Trade Payables	3,012.73	2,899.32
	Payables for Capital Expenditure	56.70	111.56
	Advance from Customers and Unearned Income	3,151.64	2,987.06
	Deposits from Customers and Others	2,272.07	2,193.62
	Interest accrued but not due	1,139.70	1,037.55
	Total	9,632.84	9,229.11
8	LONG TERM PROVISIONS		
	Gratuity (Refer Note 41)	1,260.30	827.04
	Compensated Absences	1,213.56	974.95
	Asset Retirement Obligation (Refer Note 51)	3,261.28	3,183.97
	Total	5,735.14	4,985.96
9	SHORT TERM BORROWINGS		
	a) SECURED LOANS		
	Working Capital Loan from Banks	49.87	5,982.05
	(Secured by way of second charge on movable and immovable assets of the company)		
	b) UNSECURED LOANS		
	Working Capital Loan from Banks	2,023.16	111.50
	Short Term Loan from Others	-	378.08
	Total	2,073.03	6,471.63
10	OTHER CURRENT LIABILITIES		
	Current Maturities of Long Term Debt *	100,486.06	18,593.59
	Interest accrued but not due on Borrowings	740.14	888.61
	Advance from Customers and Unearned Income	12,635.20	11,022.31
	Payables for Capital Expenditure	14,772.36	12,468.89
	Deposits from Customers and Others	122.62	76.98
	Book Bank Overdraft	178.69	169.07
	Dividend Payable	1.44	0.64
	Taxes and Other Liabilities	8,955.87	7,224.29
	Total	137,892.38	50,444.38
	* Includes ₹ 78,075 Mn. to be prepaid in the first quarter of FY 2015-16		
11	SHORT TERM PROVISIONS		
	Compensated Absences	120.09	101.63
	Gratuity	5.01	3.84
	Current Tax (Net of Advance Income Tax)	298.06	217.90
	Proposed Dividend	2,158.71	1,327.85
	Dividend Distribution Tax on Proposed Dividend	439.46	225.67
	Total	3,021.33	1,876.89

Notes forming part of the Consolidated Financial Statements

12. FIXED ASSETS

A - TANGIBLE ASSETS

Particulars	Gross Block		Accumulated Depreciation			Net Block	
	As at April 1, 2014	Additions for the year ended March 31, 2015	Disposal/ Adjustments for the year ended March 31, 2015	As at March 31, 2015	As at April 1, 2014	Additions for the year ended March 31, 2015	As at March 31, 2015
Freehold Land	120.19	0.75	1.59	119.35	-	-	119.35
Leasehold Land	11.26	768.31	-	779.57	3.25	8.03	768.29
Buildings	1,762.11	100.72	4.82	1,858.01	782.03	99.69	787.30
Plant & Machinery	386,838.37	40,177.32	7,233.31	419,782.38	170,431.17	46,005.60	209,673.75
Furniture & Fixtures	1,633.62	83.74	4.33	1,713.03	1,301.90	93.40	1,391.45
Office Equipment	3,727.46	193.14	106.93	3,813.67	3,495.83	143.31	3,534.80
Vehicles	1,398.90	333.09	236.90	1,495.09	845.35	293.36	935.11
Sub-Total	395,491.91	41,657.07	7,587.88	429,561.10	176,859.53	46,643.39	213,136.41
Less: Depreciation charged to General Reserve pursuant to merger scheme					746.92		
TOTAL	395,491.91	41,657.07	7,587.88	429,561.10	176,859.53	45,896.47	213,136.41
							218,632.38

Notes:

- 1) Plant & Machinery includes assets held for disposal- Gross Block ₹ 735.20 Mn. (Previous year ₹ 265.03 Mn.) and Net Block ₹ 22.34 Mn. (Previous year ₹ 13.45 Mn.).
- 2) Plant & Machinery includes Gross Block of assets capitalised under finance lease ₹ 13,875.22 Mn. (Previous year ₹ 12,520.40 Mn.) and corresponding Accumulated Depreciation being ₹ 9,466.60 Mn. (Previous year ₹ 8,846.80 Mn.).
- 3) Exchange loss amounting to ₹ 1,181.69 Mn. (Previous year exchange loss ₹ 7,475.54 Mn.) capitalised as per transitional provisions of notification under AS-11, issued by the Ministry of Corporate Affairs.
- 4) Depreciation charge for the year includes ₹ 5,466.05 Mn. (Previous year ₹ 5,685.80 Mn.) due to change in estimated useful life of certain fixed assets. Further, the depreciation charge for the year ending March 31, 2016 and 2017 would be higher by ₹ 5,811.34 Mn. and ₹ 2,675.57 Mn. respectively and that for years ending after March 31, 2017 would be lower by ₹ 13,952.96 Mn.

B - INTANGIBLE ASSETS

Particulars	Gross Block		Accumulated Depreciation			Net Block	
	As at April 1, 2014	Additions for the year ended March 31, 2015	Disposal/ Adjustments for the year ended March 31, 2015	As at March 31, 2015	As at April 1, 2014	Additions for the year ended March 31, 2015	As at March 31, 2015
Entry/License Fees & Spectrum	103,239.17	70,784.98	-	174,024.15	33,315.22	6,147.38	134,561.55
Computer - Software	5,367.20	337.61	71.81	5,633.00	4,651.73	426.35	626.73
Bandwidth	8,097.86	890.80	-	8,988.66	1,411.20	566.02	7,011.44
TOTAL	116,704.23	72,013.39	71.81	188,645.81	39,378.15	7,139.75	142,199.72
GRAND TOTAL	512,196.14	113,670.46	7,659.69	618,206.91	216,237.68	7,150.04	355,336.13
							295,958.46

Notes:

- 1) Computer - Software include Gross Block of assets capitalised under finance lease ₹ 2,532.10 Mn. (Previous year ₹ 2,399.88 Mn.) and corresponding Accumulated Amortisation being ₹ 2,175.00 Mn. (Previous year ₹ 2,030.77 Mn.).
- 2) The remaining amortisation period of license/Spectrum fees as at March 31, 2015 ranges between 1 to 20 years based on the respective Telecom Service License/Spectrum validity period.

Capital Work in Progress (including ₹ 42,313.23 Mn. (Previous year ₹ 107,865.69 Mn.) towards spectrum, interest and net of impairment provision of ₹ 4,844.60 Mn. (Previous year ₹ 4,844.60 Mn.))	51,405.32	114,194.13
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Notes forming part of the Consolidated Financial Statements

12. FIXED ASSETS

C - TANGIBLE ASSETS

₹ Mn

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2013	Adjustment on account of merger	Additions for the year ended March 31, 2014	Disposal/ Adjustments for the year ended March 31, 2014	As at March 31, 2014	Disposal/ Adjustments for the year ended March 31, 2014	As at April 1, 2013	As at March 31, 2014
Freehold Land	95.83	-	24.36	-	120.19	-	-	120.19
Leasehold Land	11.26	-	-	-	11.26	0.24	3.01	8.01
Buildings	1,729.14	-	41.06	8.09	1,762.11	121.72	662.89	980.08
Plant & Machinery	342,059.42	6,157.03	43,237.32	4,615.40	386,838.37	39,426.02	135,451.81	216,407.20
Furniture & Fixtures	1,639.24	-	2.01	7.63	1,633.62	106.89	1,201.55	331.72
Office Equipment	3,650.26	-	118.48	41.28	3,727.46	156.87	3,374.73	231.63
Vehicles	1,233.31	-	371.05	205.46	1,398.90	258.63	777.11	553.55
Sub-Total	350,418.46	6,157.03	43,794.28	4,877.86	395,491.91	40,070.37	141,471.10	218,632.38
Less: Depreciation charged to General Reserve pursuant to merger scheme						1,215.22		
TOTAL	350,418.46	6,157.03	43,794.28	4,877.86	395,491.91	38,855.15	141,471.10	218,632.38

D - INTANGIBLE ASSETS

₹ Mn

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2013	Adjustment on account of merger	Additions for the year ended March 31, 2014	Disposal/ Adjustments for the year ended March 31, 2014	As at March 31, 2014	Disposal/ Adjustments for the year ended March 31, 2014	As at April 1, 2013	As at March 31, 2014
Entry/License Fees & Spectrum	103,239.17	-	-	-	103,239.17	-	27,980.72	69,923.95
Computer - Software	4,998.96	-	368.24	-	5,367.20	-	4,159.92	715.47
Bandwidth	7,392.93	-	704.93	-	8,097.86	-	898.66	6,686.66
TOTAL	115,631.06	-	1,073.17	-	116,704.23	-	33,039.30	77,326.08
GRAND TOTAL	466,049.52	6,157.03	44,867.45	4,877.86	512,196.14	45,194.00	174,510.40	295,958.46

Notes forming part of the Consolidated Financial Statements

₹ Mn

Particulars		As at March 31, 2015	As at March 31, 2014
13	LONG TERM LOANS AND ADVANCES		
	(Unsecured, considered good unless otherwise stated)		
	Capital Advances (including amount referred in Note 31)	19,593.62	107.43
	Deposits and Balances with Government Authorities	560.09	434.21
	Deposits with Body Corporates and Others	8,514.00	9,376.43
	MAT Credit Entitlement	5,841.49	11,298.78
	Advance Income Tax	2,736.71	2,138.42
	Other Loans and Advances	5,506.00	5,615.41
	Total	42,751.91	28,970.68
14	OTHER NON CURRENT ASSETS		
	Revenue Equalisation Reserve	458.00	1,448.37
	Total	458.00	1,448.37
15	CURRENT INVESTMENTS		
	Investment in Units of Mutual Funds (Unquoted) (Refer Note 38)	115,267.30	2,155.34
	Total	115,267.30	2,155.34
16	INVENTORIES		
	Sim and Recharge Vouchers	582.98	487.38
	Trading Goods	127.36	195.70
	Total	710.34	683.08
17	TRADE RECEIVABLES		
	(including amount referred in Note 43)		
	a) Billed Receivables		
	Unsecured - Considered Good		
	Outstanding for a period exceeding six months from due date	345.13	424.93
	Other Receivables	5,025.08	4,147.19
		5,370.21	4,572.12
	Unsecured - Considered Doubtful		
	Outstanding for a period exceeding six months from due date	3,188.37	3,282.77
	Other Receivables	429.87	335.52
		3,618.24	3,618.29
	Less: Provision for Doubtful Debts	3,618.24	3,618.29
		5,370.21	4,572.12
	Trade Receivable are secured for amounts receivable from certain parties who have provided security deposits of ₹ 267.77 Mn. (Previous year ₹ 267.36 Mn.)		
	b) Unbilled Receivables	4,418.89	3,434.08
	Total	9,789.10	8,006.20

Notes forming part of the Consolidated Financial Statements

		₹ Mn	
Particulars	As at March 31, 2015	As at March 31, 2014	
18 CASH AND BANK BALANCES			
a) Cash and Cash Equivalents			
Cash on Hand	15.94	26.01	
Cheques on Hand	79.48	183.93	
Balances with Banks			
- In Current Accounts	381.93	235.62	
- In Deposit Accounts	15,000.64	942.29	
	15,477.99	1,387.85	
b) Other Bank Balances			
Margin Money with Banks	57.81	492.47	
Earmarked Bank Balance towards Dividend	1.44	0.64	
Total	15,537.24	1,880.96	
19 SHORT TERM LOANS AND ADVANCES			
(Unsecured, considered good unless otherwise stated)			
a) MAT Credit Entitlement	6.90	557.28	
b) Advance Income Tax	3,182.34	3,164.10	
c) Deposits with Body Corporates and Others	396.16	411.25	
d) Cenvat Credit	3,415.39	3,475.97	
e) Other Loans and Advances			
- Considered Good	5,289.10	4,572.90	
- Considered Doubtful	581.09	584.69	
	5,870.19	5,157.59	
Less: Provision for Doubtful Advances	581.09	584.69	
	5,289.10	4,572.90	
Total	12,289.89	12,181.50	
20 OTHER CURRENT ASSETS			
Interest Receivable	1,061.68	34.65	
Total	1,061.68	34.65	

Notes forming part of the Consolidated Financial Statements

₹ Mn

	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
21	OTHER OPERATING INCOME		
	Liabilities/Provisions no longer required written back	256.28	749.20
	Miscellaneous Receipts	183.84	120.17
	Total	440.12	869.37
22	OTHER INCOME		
	Interest Income	1,114.91	987.68
	Dividend Income and Profit on Sale of Current Investments	3,581.81	1,280.37
	Total	4,696.72	2,268.05
23	COST OF TRADING GOODS SOLD		
	Opening Stock	195.70	181.32
	Add: Purchases	1,383.32	1,941.38
	Less: Closing Stock	127.36	195.70
	Total	1,451.66	1,927.00
24	PERSONNEL EXPENDITURE		
	Salaries and Allowances etc. (including amount referred to in Note 39)	13,536.82	11,801.63
	Contribution to Provident and Other Funds	1,006.54	626.83
	Staff Welfare	583.51	508.77
	Recruitment and Training	171.81	183.94
	Total	15,298.68	13,121.17
25	NETWORK EXPENSES AND IT OUTSOURCING COST		
	Security Service Charges	1,323.77	1,300.37
	Power and Fuel	24,052.86	22,674.55
	Repairs and Maintenance - Plant and Machinery	10,574.63	9,934.91
	Switching & Cellsites Rent	3,828.26	4,102.59
	Lease Line and Connectivity Charges	5,038.76	4,858.44
	Network Insurance	120.39	105.77
	Passive Infrastructure Charges	22,506.79	17,915.97
	Other Network Operating Expenses	856.72	720.09
	IT Outsourcing Cost	3,654.69	3,377.58
	Total	71,956.87	64,990.27
26	LICENSE FEES AND SPECTRUM USAGE CHARGES		
	License Fees	21,636.31	18,040.75
	Spectrum Usage Charges	13,715.16	11,197.23
	Total	35,351.47	29,237.98

Notes forming part of the Consolidated Financial Statements

₹ Mn

	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
27	ROAMING AND ACCESS CHARGES		
	Roaming Charges	8,355.42	6,113.56
	Access Charges	38,957.81	35,502.08
	Total	47,313.23	41,615.64
28	SUBSCRIBER ACQUISITION AND SERVICING EXPENDITURE		
	Cost of Sim & Recharge Vouchers	1,489.90	1,476.59
	Commission to Dealers	13,949.74	10,463.58
	Customer Verification Expenses	2,495.43	2,310.09
	Collection, Telecalling & Servicing Expenses	5,054.26	4,929.83
	Customer Retention & Customer Loyalty Expenses	762.26	626.54
	Total	23,751.59	19,806.63
29	ADMINISTRATION AND OTHER EXPENSES		
	Repairs and Maintenance - Building	73.05	63.32
	- Others	406.38	411.80
	Other Insurance	38.21	42.47
	Non Network Rent	991.59	865.28
	Rates and Taxes	216.94	177.22
	Electricity	536.77	499.87
	Printing and Stationery	91.93	83.23
	Communication Expenses	118.24	136.04
	Travelling and Conveyance	1,131.14	1,070.88
	Bad Debts/Advances written off	1,043.19	1,152.28
	Provision for Bad and Doubtful Debts/Advances	42.68	(114.76)
	(Gain)/Loss on Foreign Exchange Fluctuation (Net)	261.90	416.33
	Bank Charges	150.28	104.00
	Directors Commission (including ₹ 100 Mn. related to previous year approved by the shareholders in the current year)	250.00	-
	Directors Sitting Fees	2.82	1.40
	Legal and Professional Charges	939.21	952.11
	Audit Fees (Refer Note 37)	45.35	45.89
	Loss/(Gain) on Sale of Fixed Assets/Asset disposed off (Net)	(269.97)	(205.22)
	CSR Expenses (Refer Note 52)	50.40	-
	Miscellaneous Expenses*	1,317.47	1,000.76
	Total	7,437.58	6,702.90
	* Includes Contribution of ₹ 150 Mn. (Previous year ₹ Nil) to General Electoral Trust (the 'Trust') of the Aditya Birla Group. As per governing charter of the Trust, the contributions received by the Trust from various Companies in the Aditya Birla Group, are used for contribution to be made to Political Parties/for Political purposes, as may be decided by the Board of Independent Trustees of the said Trust.		
30	INTEREST AND FINANCE CHARGES		
	Interest		
	- On Fixed Period Loan	6,031.66	7,322.44
	- On Deferred Payment Liability towards Spectrum (Net of ₹ 5,232.52 Mn. capitalised (Previous year ₹ 403.44 Mn.))	3,574.92	1,495.76
	- Others	353.90	241.54
	Financing Charges	491.37	492.11
	Total	10,451.85	9,551.85

Notes forming part of the Consolidated Financial Statements

31. The Department of Telecommunications (DoT) conducted auctions for frequency blocks in the 800, 900, 1800 and 2100 Mhz spectrum bands in March 2015. The frequency blocks that were put to auction in the 900 and 1800 Mhz band in 17 service areas included the blocks that are currently held by existing licensees whose licenses for the respective service areas are due to expire during financial years (FY) 2015-16 and 2016-17. The Company successfully bid for its requirements in the nine service areas of Maharashtra, Madhya Pradesh, Kerala, Gujarat, Andhra Pradesh, Haryana, Punjab, Karnataka and Uttar Pradesh (West) where its licenses are due to expire during FY 2015-16/2016-17 and also additional spectrum at a total cost of ₹ 301,375.25 Mn. as under:

- 54 Mhz of 900 Mhz spectrum in the 9 service areas of Maharashtra, Madhya Pradesh, Kerala, Gujarat, Andhra Pradesh, Haryana, Punjab, Karnataka and Uttar Pradesh (West)
- 20.4 Mhz of 1800 Mhz spectrum in the 6 service areas of Karnataka, Uttar Pradesh (West), Orissa, Tamilnadu, Himachal Pradesh and North East
- 5 Mhz of 2100 Mhz spectrum in Kolkata service area.

The validity of the above spectrum will be for a fresh 20 year period starting from the effective date as mentioned in the Letter of Intent (LOI) when issued, which, in case of spectrum blocks currently held by the existing licensees, should be the date of expiry of existing licenses. As per the payment options available, the Company has chosen the deferred payment option. The upfront payment amount under the deferred payment option due on or before April 9, 2015 was ₹ 77,341.99 Mn. of which ₹ 19,350.00 Mn. was paid on March 31, 2015 and the balance amount of ₹ 57,991.99 Mn. was paid on April 9, 2015. Pending completion of subsequent formalities as per the Notice Inviting Applications (NIA) for the auction and any orders that may be passed by the Hon'ble Supreme Court in related and connected matters currently before it, the amount paid as on March 31, 2015 has been disclosed as Capital Advances and the balance amount of ₹ 282,025.25 Mn. has been disclosed under Capital Commitments.

32. During the year, the Company has issued and allotted 223,880,597 Equity Shares of face value of ₹ 10/- each to eligible Qualified Institutional Buyers at a price of ₹ 134/- per Equity Share, including a premium of ₹ 124/- per Equity Share, aggregating ₹ 30,000 Mn. The Company also issued and allotted 51,838,540 Equity Shares of face value of ₹ 10/- each to Axiata Investments 2 (India) Limited on a preferential basis at a price of ₹ 144.68 per Equity Share, including a premium of ₹ 134.68 per Equity Share, aggregating ₹ 7,500 Mn.

33. Contingent Liabilities:

- i) In Financial year 2012-13, DoT had issued demand notices towards one time spectrum charges
- for spectrum beyond 6.2 Mhz in respective service areas for retrospective period from July 1, 2008 to December 31, 2012, amounting to ₹ 3,691.30 Mn., and
 - for spectrum beyond 4.4 Mhz in respective service areas effective January 1, 2013 till expiry of the period as per respective licenses amounting to ₹ 17,443.70 Mn.

In the opinion of Company, *inter-alia*, the above demands amount to alteration of financial terms of the licenses issued in the past. The Company had therefore, petitioned the Hon'ble High Court of Bombay, where the matter was admitted and is currently sub-judice. The Hon'ble High Court of Bombay has directed the DoT, not to take any coercive action until the matter is further heard.

- ii) The Group has a contingent obligation to buy Compulsorily Convertible Preference Shares (CCPS) issued by Aditya Birla Telecom Limited (ABTL), a subsidiary of the Company, from the holder at a mutually agreed consideration based on the fair value, in the event the holder exercises exit rights. In case, the holder of CCPS exercises the right of conversion, ABTL will issue equity shares equivalent to 30.3125% of its total Equity Share Capital.

- iii) Other Matters

Particulars	₹ Mn	
	As at March 31, 2015	As at March 31, 2014
Income Tax Matters not acknowledged as debts (see a below)	100,061.09	62,340.68
Sales Tax and Entertainment Tax Matters not acknowledged as debts (see b below)	1,627.08	1,003.74
Service Tax Matters not acknowledged as debts (see c below)	4,032.56	2,123.73
Entry Tax and Custom Matters not acknowledged as debts (see d below)	453.23	344.84
Licensing Disputes (see e below)	35,520.91	19,943.82
Other Claims not acknowledged as debts (see f below)	2,663.11	2,578.56

Notes forming part of the Consolidated Financial Statements

a) Income Tax Matters:

- Appeals filed by the holding company against the demands raised by Income Tax Authorities which are pending before Appellate Authorities include mainly, disputes on account of incorrect disallowance of revenue share license fee, disputes on non applicability of tax deduction at source on pre-paid margin allowed to prepaid distributors & roaming settlements, disallowance of interest proportionate to interest free advances given to wholly owned subsidiaries, etc.
- Appeals filed for tax demands treating proceeds from issue of CCPS as Cash Credit.
- Appeals filed for tax demand on the net value of assets and liabilities vested with the holding company consequent to High Court approved de-merger of telecom undertaking from its wholly owned subsidiary.
- Appeals filed for tax demand of alleged short term capital gain on the fair valuation of investment in JV done as per High Court approved scheme.
- Appeal filed for tax demand on difference between revalued figure of Investment in Indus held through a wholly owned subsidiary and book value of PI assets transferred to step down subsidiary through High Court approved scheme.

b) Sales Tax and Entertainment Tax:

- Sales Tax demands mainly relates to the demands raised by the VAT/Sales Tax authorities of few states on Broadband Connectivity, SIM cards, etc. on which the company has already paid Service Tax.
- In one state entertainment tax is being demanded on revenue from value added services. However, the Company has challenged the constitutional validity of the levy.

c) Service Tax:

Service tax demands mainly relates to the following matters:

- Interpretation issues arising out of Rule 6(3) of the Cenvat Credit Rules, 2004.
- Denial of Cenvat Credit related to Towers, Shelters and OFC Ducts.
- Disallowance of Cenvat Credit on input services viewed as not related to output service.

d) Entry tax:

In certain states entry tax is being demanded on receipt of material from outside the state. However, the Company has challenged the constitutional validity of the levy.

e) Licensing Disputes:

- Demands due to difference in interpretation of definition of Adjusted Gross Revenue (AGR) and other license fee assessment related matters. Most of these demands are currently before the Hon'ble High court. On 23rd of April, 2015, the Hon'ble TDSAT has issued its judgment setting aside demands which were before it and directed the DoT to re-compute basis principles laid down.
- Disputes relating to alleged non compliance of licensing conditions, EMF procedural norms & other disputes with DoT, either filed by or against the Company and pending before Hon'ble Supreme Court/TDSAT.
- Demands on account of alleged violations in license conditions relating to amalgamation of erstwhile Spice Communications Limited currently sub-judice before the Hon'ble TDSAT.

f) Other claims not acknowledged as debts:

Mainly includes consumer forum cases, miscellaneous disputed matters with Local Municipal Corporation and Electricity Board and others.

34. Group's share in certain disputed tax demand notices and show cause notices relating to Direct and Indirect tax matters amounting to ₹ 2,402.08 Mn. (Previous year ₹ 5,892.00 Mn.) have neither been acknowledged as claims nor considered as contingent liabilities by the Joint Venture of the Company. Based on internal assessment and independent advice taken from tax experts by the Joint Venture, the Joint Venture is of the view that the possibility of any of these tax demands materialising is remote.

35. Details of Guarantees given:

₹ Mn

Particulars	As at March 31, 2015	As at March 31, 2014
Bank Guarantees given	86,474.04	42,006.13

Notes forming part of the Consolidated Financial Statements

36. Capital and other Commitments:

Estimated amount of commitments as on March 31, 2015 towards

- Spectrum won in auctions ₹ 282,025.25 Mn. (Previous year ₹ Nil)
- Contracts remaining to be executed for capital expenditure (net of advances) and not provided for are ₹ 28,151.30 Mn. (Previous year ₹ 17,402.34 Mn.)
- Long term contracts remaining to be executed including early termination commitments (if any) is ₹ 17,866.22 Mn. (Previous year ₹ 18,376.07 Mn.)

37. Auditors' Remuneration (excluding Service Tax):

₹ Mn

Particulars of remuneration to statutory auditors of respective entities	For the year ended March 31, 2015	For the year ended March 31, 2014
Audit Fees	44.55	45.02
Certification and Other Services (included in Legal and Professional Charges)	10.03	6.54
Out of Pocket Expenses (included in Misc Expenses)	0.77	1.35
Total Remuneration*	55.35	52.91

*Excludes ₹ 8 Mn. paid to Statutory Auditors for attestation related to QIP included under Share Issue Expenses netted off from Securities Premium.

38. Details of Current Investments:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Qty in '000	₹ in Mn.	Qty in '000	₹ in Mn.
	Units	Value	Units	Value
Birla Sun Life Cash Plus – Direct Growth	2,11,684.91	47,512.40	-	-
DSP BlackRock Liquidity Fund - Direct – Growth	237.46	475.00	-	-
Reliance Liquidity Fund - Direct – Growth	1,423.46	3,000.00	-	-
Birla Sun Life Floating Rate Fund - STP - Direct – Growth	80,568.62	15,000.00	-	-
HDFC Cash Management Fund - Savings Plan - Direct – Growth	1,19,840.03	3,500.00	-	-
ICICI Prudential Liquid –Direct – Growth	1,79,708.15	37,200.00	-	-
JP Morgan India Liquid Fund - Direct – Growth	55,087.31	1,000.00	-	-
IDFC Cash Fund - Direct – Growth	588.42	1,000.00	-	-
Tata Liquid Fund - Direct – Growth	387.34	1,000.00	-	-
DWS Insta Cash Plus Fund - Direct – Growth	5,506.14	1,000.00	-	-
Kotak Floater - ST - Direct – Growth	1,526.50	3,500.00	-	-
Birla Sun Life Savings Fund- Growth- Direct	4,095.74	1,079.90	-	-
Kotak Liquid (Institutional Premium) - Growth Mutual Fund	-	-	64.71	168.32
UTI Liquid Cash Plan Institutional Mutual Fund	-	-	45.74	96.00
Birla Sun life Cash Plus – Institutional Premium-Growth Mutual Fund	-	-	2,145.00	440.32
ICICI Prudential Institutional Liquid Plan –Super Institutional Growth Mutual Fund	-	-	1,689.48	320.00
SBI Premier Liquid Fund –Super Institutional Growth Mutual Fund	-	-	83.53	168.32
Reliance Liquidity Fund-Growth Option Mutual Fund	-	-	125.72	392.32
ICICI Prudential Flexible Income Plan	-	-	1,001.35	240.00
Birla Sun Life Cash Plus – Daily Dividend - Direct Plan	-	-	3,294.00	330.06
Total	660,654.08	115,267.30	8,449.53	2,155.34

Notes forming part of the Consolidated Financial Statements

39. Personnel Expenditure includes ₹ 313.29 Mn. (Previous year ₹ 43.07 Mn.), being the amortisation of intrinsic value of ESOPs for the year ending March 31, 2015.

Had the compensation cost for the Company's stock based compensation plan been determined as per fair value approach (calculated using Black & Scholes Option Pricing Model), the Company's net income would be lower by ₹ 542.82 Mn. (Previous year ₹ 93.56 Mn.) and earnings per share as reported would be as indicated below:

Particulars	₹ Mn	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Net Profit after Tax but before Exceptional items	31,929.06	19,678.20
Add: Total stock-based employee compensation expense determined under intrinsic value base method	313.29	43.07
Less: Total stock-based employee compensation expense determined under fair value base method	856.11	136.63
Adjusted Net Profit	31,386.24	19,584.64
Basic Earnings per Share (in ₹)		
- As Reported	9.03	5.93
- Adjusted	8.87	5.90
Diluted Earnings per Share (in ₹)		
- As Reported	8.99	5.92
- Adjusted	8.84	5.89

The fair value of each option is estimated on the date of grant/re-pricing based on the following assumptions:

Particulars	ESOS 2006					
	On the date of Grant				On the date of Re-pricing	
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche I	Tranche II
Dividend Yield (%)	Nil	Nil	Nil	Nil	Nil	Nil
Expected Life	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months	4 yrs 6 months	5 yrs 9 months
Risk Free Interest Rate (%)	7.78	7.50	7.36	8.04-8.14	7.36	7.36
Volatility (%)	40.00	45.80	54.54	50.45	54.54	54.54

Particulars	ESOS 2013			
	Tranche I		Tranche II	
	Stock Options	Restricted Stock Units	Stock Options	Restricted Stock Units
Dividend yield (%)	0.24	0.24	0.40	0.40
Expected life	6 yrs 6 months	5 yrs 6 months	6 yrs 6 months	5 yrs 6 months
Risk free interest rate (%)	8.81- 8.95	8.91	8.04- 8.06	8.05
Volatility (%)	34.13- 44.81	43.95	34.28- 42.65	35.66

Notes forming part of the Consolidated Financial Statements

40. Details of Foreign Currency Exposures:

a. Hedged by a Derivative Instrument:

Particulars	Amount in Mn	
	As at March 31, 2015	As at March 31, 2014
Foreign Currency Loan:		
Foreign Currency Loan in USD	528.21	667.73
Foreign Currency Loan in JPY	-	5,313.22
Equivalent INR of Foreign Currency Loan	33,695.31	43,744.48
Trade Payables and Other Current Liabilities:		
Trade Payables in USD	32.63	46.38
Interest accrued but not due on Foreign Currency Loans in USD	1.56	7.39
Interest accrued but not due on Foreign Currency Loans in JPY	-	8.20
Equivalent INR of Trade payables and Other Current Liabilities	2,161.31	3,368.86

b. Not Hedged by a Derivative Instrument or otherwise:

Particulars	Amount in Mn	
	As at March 31, 2015	As at March 31, 2014
Foreign Currency Loan:		
Foreign Currency Loan in USD	473.75	473.75
Equivalent INR of Foreign Currency Loan	29,652.49	28,472.38
Trade Payables:		
Trade Payables in USD	40.73	46.01
Trade Payables in EURO	0.33	0.25
Trade Payables in GBP	0.02	-
Interest accrued but not due on Foreign Currency Loans in USD	4.72	-
Equivalent INR of Trade Payables & Interest accrued in Foreign Currency	2,869.59	2,786.04
Trade Receivables:		
Trade Receivables in USD	15.37	12.65
Trade Receivables in EURO	0.08	0.11
The Equivalent INR of Trade Receivables in Foreign Currency	969.42	768.78

41. Employee Benefits:

A) **Defined Benefit Plan:** The Group provides for its liability towards gratuity as per the actuarial valuation. The present value of the accrued gratuity minus fund value is provided in the books of accounts.

i) Changes in benefit obligation for the Company and its Subsidiaries:

		₹ Mn	
Sr. No.	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
1	Assumptions		
	Discount Rate	8.00%	9.00% - 9.10%
	Expected Return on Plan Assets	9.00%	9.00%
	Salary Escalation	7.00%	7.00%
2	Table showing changes in Present Value of Obligations		
	Present Value of Obligations as at beginning of year	1,062.86	959.38
	Interest Cost	108.60	89.00

Notes forming part of the Consolidated Financial Statements

₹ Mn

Sr. No.	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	Current Service Cost	165.93	165.45
	Benefits Paid	(48.60)	(25.90)
	Actuarial (Gain)/Loss on Obligations	187.29	(125.07)
	Present Value of Obligations as at end of year	1,476.08	1,062.86
3	Table showing changes in the Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of year	253.42	225.55
	Expected Return on Plan Assets	21.95	20.77
	Contributions	13.34	31.36
	Benefits Paid	(48.60)	(25.90)
	Actuarial Gain/(Loss) on Plan assets	(1.12)	1.63
	Fair Value of Plan Assets at the end of year	238.99	253.42
	Funded Status	1,237.09	809.44
	Actual Return on Plan Assets	20.82	20.96
4	Actuarial Gain/Loss recognised		
	Actuarial Gain/(Loss) for the year -Obligation	(187.29)	125.07
	Actuarial (Gain)/Loss for the year - Plan Assets	1.12	(1.63)
	Total (Gain)/Loss for the year	188.41	(126.70)
	Actuarial (Gain)/Loss recognised in the year	188.41	(126.70)
5	The amounts to be recognised in the Balance Sheet		
	Present Value of Obligations as at the end of year	1,476.08	1,062.86
	Fair Value of Plan Assets as at the end of the year	238.99	253.42
	Funded Status	1,237.09	809.44
	Net Asset/(Liability) recognised in Balance Sheet	(1,237.09)	(809.44)
6	Expenses recognised in Statement of Profit & Loss		
	Current Service cost	165.93	165.45
	Interest Cost	108.60	89.00
	Expected Return on Plan Assets	(21.95)	(20.77)
	Net Actuarial (Gain)/Loss recognised in the year	188.41	(126.70)
	Expenses recognised in Statement of Profit & Loss	440.99	106.98
7	Investment Details of Plan Assets (% allocation)		
	Insurer Managed Funds*	100%	100%

₹ Mn

Sr. No.	Particulars	For the year ended				
		March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
8	Experience Adjustments					
	Defined Benefit Obligation	1,476.08	1,062.86	959.38	473.25	369.83
	Plan Assets	238.99	253.42	225.55	210.06	183.70
	Surplus/(Deficit)	(1,237.09)	(809.44)	(733.83)	(263.19)	(186.13)
	Experience Adjustments on Plan Liabilities	(6.92)	34.07	116.21	25.64	26.25
	Experience Adjustments on Plan Assets	(1.12)	1.63	1.98	2.59	5.33

*The funds are managed by LIC and LIC does not provide breakup of plan assets by investment type.

The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes forming part of the Consolidated Financial Statements

ii) Disclosure of benefit obligation in respect of Company's share in Joint Ventures:

a) Gratuity cost for the year

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Current Service Cost	6.08	5.44
Interest Cost	1.92	1.44
Actuarial Losses	2.78	-
Total amount recognised in Statement of Profit and Loss	10.78	6.88

b) Amount recognised in the Balance Sheet

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening Defined Benefit Obligation	21.44	16.96
Total amount recognised in Statement of Profit and Loss	10.78	6.88
Benefits paid during the year	(4.00)	(2.40)
Amount recognised in the Balance Sheet	28.22	21.44

c) Experience Adjustments

₹ Mn

Particulars	For the year ended				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	28.22	21.44	16.96	12.80	9.10
Surplus/(Deficit)	(28.22)	(21.44)	(16.96)	(12.80)	(9.10)
Experience Adjustments on Plan Liabilities	0.48	0.96	0.48	0.80	0.80

d) Financial Assumptions

Particulars	As at 31 March, 2015	As at 31 March, 2014
Discount rate	7.75%	9.10%
Salary Escalation Rate	First 2 years- 10% and 7% thereafter	First 2 years- 10% and 7% thereafter

B) Defined Contribution Plan: During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Employers' Contribution to Provident & Pension Fund	439.88	400.85
Employers' Contribution to Superannuation Fund	64.70	56.75

42. Segment Reporting:

1. Primary Segments:

The Group operates in three business segments:

- Mobility Services: providing GSM based mobile and related telephony services.
- International Long Distance (ILD): providing international long distance services.
- Passive Infrastructure (PI): providing passive infrastructure services.

Transactions between segments are accounted on agreed terms on arm's length basis and have been eliminated at the Group level.

Notes forming part of the Consolidated Financial Statements

2. Secondary Segment:

The Group caters only to the needs of Indian market representing a singular economic environment with similar risks and rewards and hence there are no reportable geographical segments.

Primary Business Information (Business Segments) for the year ended March 31, 2015

₹ Mn

Particulars	Business Segments			Elimination	Total
	Mobility	ILD	PI		
Revenue					
External Revenue	310,145.75	4,370.74	1,192.37	-	315,708.86
Inter-segment Revenue	1,441.81	1,440.37	25,297.35	(28,179.53)	-
Total Revenue from Operations	311,587.56	5,811.11	26,489.72	(28,179.53)	315,708.86
Segment Result	47,511.68	750.76	6,818.01	-	55,080.45
Other Income					4,696.72
Interest & Finance Charges					(10,451.85)
Profit before Tax					49,325.32
Provision for Tax (Net)					(17,396.26)
Profit after Tax					31,929.06
Other information					
Segment Assets	417,666.73	1,194.34	43,582.31	(7,112.58)	455,330.80
Unallocated Corporate Assets	-	-	-	-	149,337.31
Total Assets					604,668.11
Segment Liabilities	336,958.72	491.56	21,804.88	(7,112.58)	352,142.58
Unallocated Corporate Liabilities	-	-	-	-	22,233.14
Total Liabilities					374,375.72
Capital Expenditure	46,803.49	25.31	4,052.85	-	50,881.65
Depreciation & Amortisation	48,513.86	36.48	5,232.80 [#]	-	53,783.14

Primary Business Information (Business Segments) for the year ended March 31, 2014

₹ Mn

Particulars	Business Segments			Elimination	Total
	Mobility	ILD	PI		
Revenue					
External Revenue	260,832.32	3,229.64	1,127.09	-	265,189.05
Inter-segment Revenue	917.78	1,505.30	23,717.61	(26,140.69)	-
Total Revenue from Operations	261,750.10	4,734.94	24,844.70	(26,140.69)	265,189.05
Segment Result	31,226.25	705.87	5,794.33	-	37,726.45
Other Income					2,268.05
Interest & Finance Charges					(9,551.85)
Profit before Tax					30,442.65
Provision for Tax (Net)					(10,764.45)
Profit after Tax					19,678.20
Other Information					
Segment Assets	402,091.80	1,047.94	47,799.03	(11,753.56)	439,185.21
Unallocated Corporate Assets	-	-	-	-	26,389.36
Total Assets					465,574.57
Segment Liabilities	267,535.26	424.99	24,193.26	(11,753.56)	280,399.95
Unallocated Corporate Liabilities	-	-	-	-	19,904.89
Total Liabilities					300,304.83
Capital Expenditure	147,298.30	22.76	2,929.71	-	150,250.77
Depreciation & Amortisation	40,897.61	35.14	5,476.47 [#]	-	46,409.22

[#] includes depreciation charge on fair value portion of fixed assets by joint venture ₹ 746.92 Mn. (Previous year ₹ 1,215.22 Mn.) adjusted to General Reserve.

Notes forming part of the Consolidated Financial Statements

43. Related Party Transactions:

As per Accounting Standard 18 on "Related Party Disclosure", related parties of the Company are disclosed below:

A. List of Related Parties:

Promoters

Hindalco Industries Limited (Hindalco)

Grasim Industries Limited (Grasim)

Aditya Birla Nuvo Limited (ABNL)

Birla TMT Holdings Pvt. Limited (Birla TMT)

Entities having significant Influence

Axiata Investments 1 (India) Ltd.(AI1)

Axiata Investments 2 (India) Ltd.(AI2)

Axiata Group Berhad (AGB)

Key Management Personnel (KMP)

Mr. Himanshu Kapania, MD

Mr. Akshaya Moondra, CFO

B. Transactions with Related Parties:

Particulars	Promoters				Entities having Significant Influence			₹ Mn
	Hindalco	Grasim	ABNL	Birla TMT	AI2	AI1	AGB	KMP
Remuneration								132.22 (117.98)
Purchase of Service/Goods	0.83 (0.05)	0.10 (0.34)	- (0.17)					
Sale of Service/Goods	28.71 (29.77)	19.01 (16.64)	22.34 (29.33)					
Expenses incurred by Company on behalf of	0.35 (0.52)	0.09 (0.16)	0.29 (0.86)					
Expenses incurred on Company's behalf by	- (0.02)	- (0.09)	0.02 (0.03)					
Interest paid on NCD	9.45 (9.45)							
Dividend on Equity Shares	91.34 (68.50)	68.41 (51.30)	335.01 (251.26)	113.43 (85.07)	98.91 (58.63)	185.89 (139.42)		0.15 (0.10)
Issue of Equity Shares					7,500.00 (-)			
Director's Commission							1.27 (-)	

(Figures in bracket are for the year ended March 31, 2014)

Notes forming part of the Consolidated Financial Statements

C. Outstanding as at March 31, 2015:

Particulars	Promoters			₹ Mn
	Hindalco	Grasim	ABNL	KMP
Remuneration Payable				63.57 (34.54)
Trade Receivable	2.69 (3.63)	0.66 (2.35)	3.24 (1.48)	
Trade Payable	0.28 (-)	0.06 (-)		
9.45% Redeemable NCD	100.00 (100.00)			
Interest accrued but not due on the above NCD's	3.91 (3.91)			

(Figures in bracket are as at March 31, 2014)

44. The Company is one of the members of Aditya Birla Management Corporation Private Limited, a Company limited by guarantee, which has been formed to provide common pool of facilities and resources to its members with a view to optimise the benefits of specialisation and minimize cost to each member. The Company's share of expenses incurred under the common pool has been accounted for at actuals in the respective heads in the Statement of Profit and Loss.

45. Operating Lease: As a Lessee

The Company has entered into non-cancellable operating leases for offices, switches and cell sites for periods ranging from 36 months to 240 months. For the current year, total minimum lease payments amounting to ₹ 27,303.32 Mn. (Previous year ₹ 22,857.76 Mn.) is charged to the Statement of Profit and Loss.

The future minimum lease payments in respect of the above are as follows:

Particulars	₹ Mn		
	Not later than one year	Later than one year but not later than five years	Later than five years
Minimum Lease Payments	22,834.38 (20,141.03)	69,527.11 (68,527.36)	37,666.91 (35,596.72)

(Figures in bracket are as at March 31, 2014)

Operating Lease: As a Lessor

The Group has leased under operating lease arrangements certain Cell Sites and Optical Fibre Cables (OFC) on Indefeasible Rights of Use ("IRU") basis. The gross block, accumulated depreciation and depreciation expense of the assets given on lease are not separately identifiable and hence not disclosed.

The future minimum lease receivables in respect of the above are as follows:

Particulars	₹ Mn		
	Not later than one year	Later than one year but not later than five years	Later than five years
Minimum Lease Receivables	1,266.43 (184.72)	4,275.71 (12.81)	4,690.82 (-)

(Figures in bracket are as at March 31, 2014)

46. The Company has a composite IT outsourcing agreement wherein fixed assets and services related to IT has been supplied by the vendor. Such fixed assets received have been accounted for as a finance lease. Correspondingly, such assets are recorded at fair value at the time of receipt and depreciated on the stated useful life applicable to similar IT assets of the Company.

Notes forming part of the Consolidated Financial Statements

47. Basic & Diluted Earnings per Share:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Nominal value of Equity Shares (₹)	10/-	10/-
Profit after Tax (₹ Mn.)	31,929.06	19,678.20
Profit attributable to Equity Shareholders (₹ Mn.)	31,929.06	19,678.20
Weighted average number of Equity Shares outstanding during the year	3,536,845,592	3,316,853,830
Basic Earnings Per Share (₹)	9.03	5.93
Dilutive effect on weighted average number of Equity Shares outstanding during the year	15,338,212	8,373,426
Weighted average number of Diluted Equity Shares	3,552,183,804	3,325,227,256
Diluted Earnings Per Share (₹)	8.99	5.92

48. The Company has the following joint ventures as on March 31, 2015 and its percentage holding is given below:

Name of the Joint Venture	Percentage holding	
	As at March 31, 2015	As at March 31, 2014
Indus Towers Limited (Indus)	16.00%	16.00%

The proportionate share of assets, liabilities, income, expenditure, contingent liabilities and capital commitment of the above joint venture companies included in these consolidated financial statements are given below:

Particulars	₹ Mn	
	As at March 31, 2015	As at March 31, 2014
Liabilities		
Reserves & Surplus	19,493.40	24,201.45
Long Term Borrowings	5,966.96	9,845.28
Other Non Current Liabilities	5,163.43	4,998.88
Deferred Tax Liability	2,771.89	2,635.84
Short Term Borrowings	559.09	378.08
Other Current Liabilities	8,030.62	6,555.96
Assets		
Net Block (including CWIP)	32,451.29	33,360.32
Other Non Current Assets	6,153.64	9,449.44
Current Investment	-	1,825.28
Other Current Assets	3,380.65	3,980.64

Particulars	₹ Mn	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenues from Operations	24,130.27	22,453.28
Other Income	93.23	65.92
Operating Costs	13,692.39	13,137.76
EBITDA	10,531.11	9,381.44
Finance Cost	1,130.38	1,492.16
Depreciation & Amortisation	4,047.64	3,903.04
PBT	5,353.09	3,986.24
Taxes	1,945.31	1,518.40
PAT	3,407.78	2,467.84
Contingent Liability	3,476.64	4,182.08
Capital Commitment	462.24	527.52

Notes forming part of the Consolidated Financial Statements

49. Information with respect to Subsidiaries as at March 31, 2015:

₹ Mn

Particulars	Aditya Birla Telecom Limited	Idea Cellular Services Limited	Idea Cellular Infrastructure Services Limited	Idea Telesystems Limited	Idea Mobile Commerce Services Limited
Capital	119.25	0.50	0.50	0.50	99.00
Reserves	80,478.74	(2.59)	743.75	229.10	(59.04)
Total Assets	4,458.77	99.86	2,793.08	153.57	39.29
Total Liabilities	1.23	101.95	2,583.24	118.97	29.33
Investments other than Investments in Subsidiary	76,140.45	-	534.41	195.00	30.00
Turnover (Total Revenue)	6,442.56	1,339.76	2,376.93	1,844.32	24.14
Profit/(Loss) before Taxation	6,437.04	6.40	291.16	126.92	(30.22)
Provision for Taxation	38.32	1.89	80.06	38.20	-
Profit/(Loss) after Taxation	6,398.72	4.51	211.10	88.72	(30.22)

50. Additional Disclosure as per the requirement of Schedule III:

₹ Mn

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount	As of % Consolidated Profit or Loss	Amount
Parent:				
Indian				
Idea Cellular Limited	89.96 (86.58)	207,161.28 (143,075.49)	88.00 (85.85)	28,098.35 (16,893.06)
Subsidiaries:				
Indian				
Idea Telesystems Limited	0.10 (0.08)	230.17 (128.22)	0.28 (0.16)	88.72 (31.58)
Idea Cellular Services Limited	-0.03 (-0.03)	-73.66 (-52.18)	0.01 (0.00)	4.51 (0.95)
Idea Cellular Infrastructure Services Limited	1.17 (1.48)	2,691.60 (2,445.28)	0.66 (0.88)	211.10 (173.88)
Aditya Birla Telecom Limited	2.26 (1.43)	5,194.25 (2,361.32)	0.47 (0.05)	148.82* (10.42)*
Idea Mobile Commerce Services Limited	0.02 (0.02)	39.96 (27.10)	-0.09 (-0.08)	-30.22 (-16.02)
Total (A)	93.47 (89.55)	215,243.60 (147,985.23)	89.33 (86.87)	28,521.28 (17,093.87)
Joint Venture (as per proportionate consolidation):				
Indian				
Indus Towers Limited	6.53 (10.45)	15,029.54 (17,265.26)	10.67 (13.13)	3,407.78 (2,584.33)
Total (B)	6.53 (10.45)	15,029.54 (17,265.26)	10.67 (13.13)	3,407.78 (2,584.33)
Total (A + B)	100.00 (100.00)	230,273.14 (165,250.49)	100.00 (100.00)	31,929.06 (19,678.20)

*Excluding dividend received from Indus Towers Limited, a joint venture of the company
(Figures in bracket are for the year ended March 31, 2014)

Notes forming part of the Consolidated Financial Statements

51. The movement in the Asset Retirement Obligation is set out as follows:

Particulars	₹ Mn	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening Balance	3,183.97	1,495.49
Additional Provision	111.39	76.00
Addition pursuant to merger of Subsidiary and certain other Companies into Joint Venture	-	1,632.96
Utilisation	34.08	20.48
Closing Balance	3,261.28	3,183.97

52. Corporate Social Responsibility (CSR) expenditure includes contributions made by the Joint Venture to implementing agencies and foundations to execute projects and programs in the field of education, environment, home for orphans and reducing inequalities which is in accordance with their CSR policy.

53. The Board of Directors has recommended a dividend at the rate of ₹ 0.60 per share (Previous Year ₹ 0.40) of face value of ₹ 10/- aggregating ₹ 2,598.17 Mn. including ₹ 439.46 Mn. Dividend Distribution Tax, (Previous Year ₹ 1,553.52 Mn. including ₹ 225.67 Mn. Dividend Distribution Tax) for the year ended March 31, 2015. The payment of dividend is subject to the approval of the shareholders at the ensuing annual general meeting of the Company.

54. Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year grouping.

For and on behalf of the Board

Arun Thiagarajan
Director

Gian Prakash Gupta
Director

Himanshu Kapania
Managing Director

Akshaya Moondra
Chief Financial Officer

Pankaj Kapdeo
Company Secretary

Place : Mumbai
Date : April 28, 2015

Consolidated Cash Flow Statement for the year ended March 31, 2015

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A) Cash Flow from Operating Activities		
Net Profit after Tax	31,929.06	19,678.20
Adjustments For		
Depreciation	45,896.47	38,855.15
Amortisation of Intangible Assets	7,139.75	6,338.85
Interest and Finance Charges	10,451.85	9,551.85
Dividend Income and Profit on sale of Current Investments	(3,581.81)	(1,280.37)
Bad Debts/Advances written off	1,043.19	1,152.28
Provision for Bad & Doubtful Debts/Advances	42.68	(114.76)
Employee Stock Option Cost	313.29	43.07
Provision for Gratuity and Compensated Absences	691.50	175.62
Provision for Deferred Tax	882.41	5,454.11
Provision for Current Tax (Net of MAT Credit Entitlement)	16,513.85	5,310.34
Liabilities/Provisions no longer required written back	(256.28)	(749.20)
Interest Income	(1,114.91)	(987.68)
Loss/(Gain) on sale of Fixed Assets/ Assets disposed off	(269.97)	(205.22)
	77,752.02	63,544.04
Operating profit before Working Capital Changes	109,681.08	83,222.24
Adjustments for Changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(2,868.77)	469.03
(Increase)/Decrease in Inventories	(27.26)	43.34
(Increase)/Decrease in Other Current and Non Current Assets	1,424.23	(1,890.38)
(Increase)/Decrease in Long Term and Short Term Loans and Advances	(94.57)	3,695.66
Increase/(Decrease) in Trade Payables, Other Current and Non Current Liabilities and Provisions	7,106.42	3,036.16
	5,540.05	5,353.80
Cash generated from Operations	115,221.13	88,576.04
Tax paid (including TDS) (Net)	(11,042.55)	(6,383.99)
Net Cash from/(used in) Operating Activities	104,178.58	82,192.05
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets & Intangible Assets (including CWIP)	(42,277.71)	(36,984.63)
Payment towards Spectrum and Licenses *	(19,350.00)	(31,436.07)
Proceeds from sale of Fixed Assets	701.76	536.22
Profit on sale of Current Investments, Dividend and Interest Received	3,669.69	2,242.06
Net Cash from/(used in) Investing Activities	(57,256.26)	(65,642.42)
C) Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital	37,373.96	262.75
Proceeds from Long Term Borrowings *	82,265.73	4,465.34
Repayment of Long Term Borrowings	(25,708.16)	(22,019.96)
Proceeds from Short Term Borrowings	1,911.66	6,905.62

Consolidated Cash Flow Statement for the year ended March 31, 2015

₹ Mn

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Repayment of Short Term Borrowings	(6,114.58)	(5,286.68)
Payment of Dividend, including dividend tax	(2,792.49)	(1,305.88)
Payment of Interest and Finance Charges	(6,656.34)	(7,681.99)
Net Cash from/(used in) Financing Activities	80,279.78	(24,660.80)
Net Increase/(Decrease) in Cash and Cash Equivalents	127,202.10	(8,111.17)
Cash and Cash Equivalents at the beginning	3,543.19	11,658.10
Decrease in Cash and Cash Equivalents pursuant to merger of Subsidiary and certain other Companies into Joint Venture	-	(3.74)
Cash and Cash Equivalents at the end	130,745.29	3,543.19

* Excluding deferred payment liability towards spectrum won in auction, being non cash transaction during previous year

Notes to Cash flow Statement for the year ended March 31, 2015

1. Cash and Cash Equivalents include the following Balance Sheet amounts:

Cash on Hand	15.94	26.01
Cheques on Hand	79.48	183.93
Balances with banks		
- In Current Accounts	381.93	235.62
- In Deposit Accounts	15,000.64	942.29
Investment in Units of Mutual Funds	115,267.30	2,155.34
	<u>130,745.29</u>	<u>3,543.19</u>

2. The above cash flow statement has been prepared under the Indirect Method as set out in Accounting Standard 3 on Cash Flow Statement.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board

Khurshed Pastakia
Partner
Membership No.: 31544

Arun Thiagarajan
Director

Gian Prakash Gupta
Director

Himanshu Kapania
Managing Director

Place : Mumbai
Date : April 28, 2015

Akshaya Moondra
Chief Financial Officer

Pankaj Kapdeo
Company Secretary

*From being in every second can in the world, to shaping automobiles
From building your homes to the highways that get you there
From inks, dyes, plastics to every fifth tyre in the world
From securing futures to empowering over six million dreams
From connecting the world to enabling over a billion conversations a day
From styling your wardrobe every three seconds, to bringing you the world of fashion*

...the Aditya Birla Group is
present in every small moment
and big occasion in your life.

**BIG
IN YOUR
LIFE**

Idea Cellular, one of India's leading telecommunications company, brings 165 Million Indians closer to their loved ones. Using the latest in technology, Idea provides world class Voice, Data and innovative Value-added services to both retail and enterprise customers across 360,000 towns and villages in the country. With a deep rooted telecom network comprising of over 149,000 cell sites generating 2 Billion minutes and 700 Terabytes of mobile data on a daily basis, and an extensive servicing network with nearly 6,700 Idea customer touch points, we are Big in Your Life.



Idea Cellular Limited
Suman Tower, Plot No. 18, Sector - 11,
Gandhinagar - 382 011, Gujarat
www.ideacellular.com



IDEA CELLULAR LIMITED

CIN: L32100GJ1996PLC030976

Registered Office: Suman Tower, Plot No. 18, Sector - 11, Gandhinagar - 382 011, Gujarat

Email: shs@idea.adityabirla.com, Website: www.ideacellular.com

Tel.: + 91-79-66714000, Fax: +91-79-23232251

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of Idea Cellular Limited will be held on Monday, the 28th day of September, 2015 at 12:30 p.m. at Cambay Sapphire (Formerly Cambay Spa and Resort), Plot No. 22-24, Near GIDC, Opposite Hillwoods School, Sector 25, Gandhinagar - 382 044, Gujarat, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements and Audited Consolidated Financial Statements for the financial year ended March 31, 2015 together with the Reports of the Board of Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares of the Company for the financial year ended March 31, 2015.
3. To appoint a Director in place of Mrs. Rajashree Birla (DIN: 00022995), who retires by rotation, and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Dr. Shridhir Sariputta Hansa Wijayasuriya (DIN: 00363174), who retires by rotation, and being eligible, offers himself for re-appointment.
5. To ratify the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), as the Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and, if thought fit, pass the following resolution with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W-100018), as the Statutory Auditors of the Company, to hold office from the conclusion of this Twentieth Annual General Meeting until the conclusion of the Twenty First Annual General Meeting of the Company to be held in calendar year 2016, be and is hereby ratified, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS:

6. Remuneration of Cost Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration of ₹ 7,00,000/- (Rupees Seven Lacs only) plus service tax and reimbursement of travel and out of pocket expenses, to be paid to M/s. Sanjay Gupta & Associates, Cost Accountants, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2015-16, be and is hereby ratified, confirmed and approved."

7. Re-appointment of Mr. Himanshu Kapania as the Managing Director of the Company for a period of five years

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder

(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. Himanshu Kapania (DIN: 03387441) as the Managing Director of the Company for a period of five years commencing from April 1, 2016 on the terms and conditions, including remuneration, as set out hereunder, with further liberty to the Board (which term shall be deemed to include any Committee constituted/to be constituted by the Board) to alter, modify or revise from time to time, the said terms and conditions of re-appointment and remuneration of Mr. Himanshu Kapania in such manner as may be considered appropriate and in the best interests of the Company and as may be permissible at law, viz.:

A. Period:

5 (Five) years with effect from April 1, 2016 with liberty to either party to terminate the appointment on three months' notice in writing to the other.

B. Remuneration:

- (i) Basic Salary: ₹ 12,88,667/- (Rupees Twelve Lacs Eighty Eight Thousand Six Hundred and Sixty Seven only) per month with such increases as the Board may decide from time to time, subject however to a ceiling of ₹ 25,00,000/- (Rupees Twenty Five Lacs only) per month as Basic Salary.
- (ii) Special Allowance: ₹ 14,81,750/- (Rupees Fourteen Lacs Eighty One Thousand Seven Hundred and Fifty only) per month with such increment(s) as the Board may decide from time to time, subject however to a ceiling of ₹ 25,00,000/- (Rupees Twenty Five Lacs only) per month. This allowance however, will not be taken into account for calculation of benefits such as Provident Fund, Gratuity, Superannuation and Leave encashment.
- (iii) Variable Pay: Performance Bonus linked to the achievement of targets, as may be decided by the Board from time to time, subject to a maximum of ₹ 7,00,00,000/- (Rupees Seven Crores only) per annum.
- (iv) Long-term Incentive Compensation/Employee Stock Options: As per the plan of the Company that may be decided by the Board/Committee of the Board/shareholders from time to time.

C. Perquisites

- (i) Housing: Free furnished accommodation or House Rent Allowance (HRA) @ 50% of Basic Salary in lieu of company provided accommodation.
- (ii) Reimbursement of expenses on actuals pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation, as per company policy.
- (iii) Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family at actuals (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy.
- (iv) Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.
- (v) Club fees: Fees of One Corporate Club in India.
- (vi) Cars: Company maintained two cars, as per Company policy.
- (vii) Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per policy of the company. Travelling expenses of spouse accompanying the Managing Director on any official overseas or inland trip will be governed as per policy of the Company.
- (viii) Leave and encashment of leave: As per the policy of the Company.
- (ix) Personal accident Insurance Premium: As per the policy of the Company.
- (x) Contribution towards Provident Fund and Superannuation Fund or Annuity Fund: As per the policy of the Company.

- (xi) Gratuity and /or contribution to the Gratuity Fund of Company: As per the policy of the Company.
 - (xii) Any other allowances, benefits and perquisites: As per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
 - (xiii) Any other one time / periodic retirement allowances / benefits as may be decided by the Board at the time of retirement / separation.
- D. Annual remuneration review is effective 1st July each year, as per policy of the Company.
 - E. Subject as aforesaid, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
 - F. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit(s) prescribed from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment(s) thereof for the time being in force, or otherwise as may be permissible at law.
 - G. Where in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid shall be paid to Mr. Himanshu Kapania in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Central Government, if required.
 - H. The Nomination and Remuneration Committee will review and recommend the revision in remuneration payable to the Managing Director during the tenure of his appointment.
 - I. Though considering the provisions of Section 188 of the Act, and the applicable Rules and the Schedule of the Act, Mr. Himanshu Kapania would not be holding any office or place of profit by his being a mere Director of the Company's subsidiaries / Joint Ventures, approval be and is hereby granted by way of abundant caution for him to accept the sitting fees/ commission paid / payable to other Directors for attending meetings of Board(s) of Directors / Committee(s) of subsidiaries / Joint Ventures of the Company or companies promoted by the Aditya Birla Group.
 - J. So long as Mr. Himanshu Kapania functions as the Managing Director of the Company he shall not be subject to retirement by rotation and shall not be paid any sitting fees for attending the meetings of the Board of Directors of the Company or any Committee(s) thereof.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper and expedient to give effect to the above resolution.”

8. Issue of Non-Convertible Securities on Private Placement Basis

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and subject to all the applicable laws and regulations including but not limited to the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Listing Agreement for Debt Securities, Foreign Exchange Management Act, 1999, (including any amendment, modification, variation or re-enactment to any of the forgoing) and provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to borrow from time to time, by issuance of Non-Convertible Securities, including but not limited to Non-Convertible Debentures (NCDs), secured or unsecured, in one or more series / Tranches aggregating up to an amount not exceeding ₹ 10,000 crores (Rupees Ten Thousand Crores only), on a private placement basis, during a period of one year from the conclusion of the twentieth Annual General Meeting, on such terms and conditions, as the Board may, from time to time deem fit, proper and appropriate.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, and do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or to the Managing Director or Director or any other officer(s) of the Company or to any other person.”

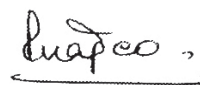
9. Approval of material related party transactions with Indus Towers Limited

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 188 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with The Companies (Meetings of Board and its Powers) Rules, 2014, and Clause 49 (VII) of the Listing Agreement entered into with the Stock Exchanges (as amended from time to time) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to ratify/approve all existing contracts/ arrangements/agreements/transactions and to enter into new/further contracts/arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto), in the ordinary course of business and on arm’s length basis with Indus Towers Limited (Indus) a ‘Related Party’ within the meaning of the Act and the Listing Agreement, as more particularly enumerated in the explanatory statement to the Notice and on such terms and conditions as may be agreed between the Company and Indus.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

By Order of the Board
For Idea Cellular Limited



Pankaj Kapdeo
Company Secretary

Place: Mumbai

Date: August 25, 2015

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER SHAREHOLDER.

2. Corporate Members intending to send their authorised representatives to attend and vote at the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business as set out at Item Nos. 6 to 9 of the AGM Notice, to be transacted at the meeting is annexed hereto.
4. The Register of Members and Share Transfer Books will remain closed from Tuesday, the 22nd day of September, 2015 to Monday, the 28th day of September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
5. The dividend of ₹ 0.60 per Equity Share, for the financial year ended March 31, 2015, as recommended by the Board, if approved at the Meeting, will be paid to those members whose names appear:
 - (a) As Beneficial Owners as at the end of business hours on September 21, 2015 as per lists to be furnished by National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) in respect of the shares held in electronic form.
 - (b) As Member in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company or its Registrar and Share Transfer Agent (RTA) on or before September 21, 2015.
6. Members are advised to avail the facility for receipt of dividend through Electronic Clearing Service (ECS).
 - (a) Members who hold shares in the physical form and desirous of availing Electronic Clearance Scheme (ECS) facility for direct credit of dividend to their bank account, may submit their requisite request together with a photocopy of the cancelled cheque to the Company's Registrar and Share Transfer Agents (RTA).
 - (b) Members who hold shares in electronic form, the bank details as furnished by the respective depositories to the Company will be used for the purpose of distribution of dividend. Members who want to change / correct the bank account details should send the same to their concerned DP and not to the Company. The Company/RTA will not act on any direct request from members holding shares in dematerialized form for change/deletion of such bank details.
7. Members holding shares in electronic form are requested to intimate any change in their address, E-mail Id and signature to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate such changes to the Registrar and Share Transfer Agents of the Company.
8. In terms of circular issued by SEBI, it is mandatory to quote Permanent Account Number (PAN) for participating in the securities market. Therefore, Members holding shares in dematerialised form are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Registrar and Share Transfer Agents of the Company.
9. Statutory Registers and documents referred to in the Notice and Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) between 11:00 a.m. to 2:00 p.m. upto the date of the Annual General Meeting and will also be available for inspection at the meeting.
10. Disclosure pursuant to Clause 49 of the Listing Agreement and Secretarial Standards on General Meetings (SS-II), with respect to Directors seeking Appointment/Re-appointment at the Annual General Meeting, is annexed to this Notice.
11. The Annual Report of the Company for the Financial Year 2014-15, circulated to the members of the Company, is also uploaded on the Company's website www.ideacellular.com in the 'Investor Relations' Section.
12. The Ministry of Corporate Affairs (MCA), vide its circular No. 17/2012 dated July 23, 2012 has directed the Companies to upload information regarding unpaid and unclaimed dividend on the Company's website. In terms of the circular, the Company has uploaded the details of unpaid and unclaimed dividend and the same can be viewed on www.ideacellular.com.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their E-mail address either with the Company or with the Depository Participant(s).

Members who have not registered their email address with the Company can now register the same by submitting a duly filled-in 'E-communication Registration Form' available on the website of the Company www.ideacellular.com.

Members holding shares in physical mode are requested to register their E-mail Id with the Company or its RTA and members holding shares in demat mode are requested to register their E-mail Id with their respective Depository Participants (DP). If there is any change in the E-mail Id already registered with the Company, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

14. The Notice of AGM alongwith Annual Report for the year 2014-15 is being sent by electronic mode to all the Members whose E-mail addresses are registered with the Company or Depository Participant(s), unless any member has requested for a physical copy of the same. Physical copy of the Notice of AGM alongwith Annual Report are being sent to those Members who have not registered their E-mail address with the Company or Depository Participant(s).
15. E-voting
 - (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through E-voting services arranged by National Securities Depository Limited ("NSDL"). The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote E-voting"). Members who do not have the access to remote E-voting facility may send their assent or dissent in writing in respect of the resolutions as set out in the Notice of AGM, by completing the Ballot Form (forming part of the Notice), so as to reach the Scrutinizer, Mr. Umesh Ved, proprietor of M/s. Umesh Ved & Associates, Practicing Company Secretaries not later than 5.00 p.m. on Sunday, September 27, 2015. Ballot Form received thereafter will be treated as invalid. Instructions for Ballot Form are given at the back of the said form and instructions for remote E-voting are given herein below.
 - (ii) The facility for voting through polling paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote E-voting or by Ballot form shall be able to exercise their right at the AGM.
 - (iii) The Members who have cast their vote by remote E-voting or by Ballot form prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - (iv) The remote E-voting period commences on Friday, September 25, 2015 (9:00 a.m. IST) and ends on Sunday, September 27, 2015 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. Monday, September 21, 2015, may cast their vote by remote E-voting. The remote E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

The process and manner for remote E-voting are as under:

- A. In case a Member receives an E-mail from NSDL (for Members whose E-mail addresses are registered with the Company/Depository Participants):
 - (i) Open the attached PDF File "IDEA remote e-voting.pdf" attached to the mail, using your Client ID or Folio No. as password. The said PDF file contains your User ID and Password/PIN for remote E-voting. Please note that the Password provided is an initial password. You will not receive this PDF file if you are already registered with NSDL for E-voting, in which case you can use your existing password for casting the vote.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login.
 - (iv) Put User ID and password as initial password/PIN noted in step (i) above. Click 'Login'.

- (v) Password change menu will appear. Change the password/PIN with a new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any person and take utmost care of the same.
- (vi) Home page of remote E-voting will open. Click on remote E-voting - Active Voting cycles.
- (vii) Select Electronic Voting Event Number [EVEN] of Idea Cellular Limited.
- (viii) Now you are ready for remote E-voting as 'Cast Vote' page opens.
- (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on Confirm when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through E-mail to umeshvedcs.office@airtelmail.in or shs@idea.adityabirla.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose E-mail IDs are not registered with the Company/Depository Participant or Members requesting physical copy)

- (i) Initial Password in the format given below is provided at the bottom of the Attendance Slip for the AGM.

EVEN (Electronic Voting Event Number)	User ID	Password/PIN

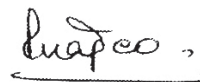
- (ii) Please follow all steps from Sr. No. (ii) to (xii) mentioned above in A, to cast your vote.

C. Other Instructions

- (i) In case of any queries, please refer to the Frequently Asked Questions (FAQs) for Members and the remote E-voting user manual for Members available at the down loads section of <http://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990.
- (ii) You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (iii) The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Monday, September 21, 2015.
- (iv) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the notice of AGM and holding shares as of the cut-off date i.e. Monday, September 21, 2015, may obtain the Login ID and Password by sending a request at evoting@nsdl.co.in.
- (v) However, if you are already registered with NSDL for remote E-voting, then you can use your existing User ID and Password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-900.
- (vi) A Member may participate in the AGM even after exercising his right to vote through remote E-voting or Ballot form but shall not be allowed to vote again at the AGM.
- (vii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote E-voting, voting through Ballot form as well as voting at the AGM.

- (viii) Mr. Umesh Ved, proprietor of Umesh Ved & Associates, Practicing Company Secretaries (CP No.2924) has been appointed as the Scrutinizer to scrutinize the remote E-voting process (including the Ballot form received from the Member(s) who do not have access to the remote E-voting process) and voting at the AGM in a fair and transparent manner.
- (ix) Members who do not have access to remote E-voting facility may send duly completed Ballot form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Umesh Ved, proprietor of Umesh Ved & Associates, Practicing Company Secretaries not later than Sunday, September 27, 2015 (5:00 p.m.). Ballot form(s) received after this date will be treated as invalid.
- (x) A Member can opt for only one mode of voting. i.e. either through remote E-voting or by Ballot form. If a Member casts votes by both modes, then voting done through remote E-voting shall prevail and Ballot form shall be treated as invalid.
- (xi) At the AGM, at the end of discussion on there solutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer order voting for all those Members who are present but have not cast their vote electronically using the remote E-voting facility or Ballot Form.
- (xii) The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and also votes cast through Ballot form, there after unblock the votes cast through remote E-voting in the presence of at least two witnesses, not in employment of the Company, and make, not later than three days of the conclusion of the AGM, prepare a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xiii) The results declared along with the Scrutinizer's report shall be placed on the Company's website www.ideacellular.com and on the website of NSDL www.evoting.nsdl.com immediately after the result declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The results shall also be available for inspection at the Registered Office of the Company.

By Order of the Board
For Idea Cellular Limited



Pankaj Kapdeo
Company Secretary

Place: Mumbai
Date: August 25, 2015

ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out the material facts concerning the special business to be transacted at the Annual General Meeting

Item No. 6

The Board of Directors of your Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Sanjay Gupta & Associates, Cost Accountants as the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016. In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing the resolution as set out in Item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

The Board commends the ordinary resolution as set out in Item No. 6 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 7

Mr. Himanshu Kapania was appointed as the Managing Director of the Company for a period of five years with effect from April 1, 2011. His current term of office as the Managing Director shall end on March 31, 2016.

The Nomination & Remuneration Committee of the Company at its meeting held on July 21, 2015, after taking into consideration the vast and valuable experience of Mr. Kapania and progress made by the company under his leadership recommended his re-appointment as the Managing Director of the Company for a further period of five years. The Board of Directors of your Company have subject to the approval of the shareholders, re-appointed Mr. Himanshu Kapania as the Managing Director of the Company with effect from April 1, 2016, for a further period of five years, on the remuneration, terms and conditions as set out in the resolution.

Mr. Himanshu Kapania holds a Bachelor's degree in Engineering from the Birla Institute of Technology, Mesra, and has also done Post Graduate Diploma in Management (Marketing) from IIM, Bangalore. Mr. Kapania aged 54 years, was appointed as the Managing Director of the Company with effect from April 1, 2011 for a period of 5 years. Mr. Kapania has over 30 years of work experience and is a telecom veteran. He spearheaded the Company to be one of the top 3 telecom players in the Industry. Under his leadership, the Company has grown the fastest in the world's fastest growing mobile phone services market.

Considering the background, competence, experience and above all the significant progress made by the Company under his leadership, the Board of Directors have re-appointed Mr. Himanshu Kapania as the Managing Director of the Company for a period of 5 years with effect from April 1, 2016, on the terms and conditions as set out in the resolution.

Members may note that under the current term of Mr. Kapania, which is valid upto March 31, 2016, he is entitled for revision in his existing remuneration effective from July 1, 2015. The said revision in the remuneration will be within the limits of the remuneration as approved by the members at the Extraordinary General Meeting held on December 26, 2013.

The Board commends the ordinary resolution as set out at Item No. 7 of this Notice for your approval.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except Mr. Himanshu Kapania and his relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 8

Section 42 of the Companies Act, 2013 read with the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, requires any offer or invitation to subscribe to Securities on a private placement basis to be approved by the members by way of Special Resolution. However, in case of offer/issuance of Non-Convertible Debentures (NCDs), passing of a Special Resolution by the members for all such offers/invitation for such NCDs, once in a year is sufficient.

In view of the aforesaid provisions and in order to augment resources, inter alia, for meeting the ongoing capital expenditure, long-term loan repayment and for general corporate purposes, the Company may offer or invite subscription for secured/unsecured Non-Convertible Securities, including but not limited to NCDs, in or more series/tranches on a private placement basis, upto an amount not exceeding ₹ 10,000 crore (Rupees Ten Thousand Crore only). The said limit of ₹ 10,000 Crore (Rupees Ten Thousand Crore only) shall be within the overall borrowing limit as approved by the Members at the nineteenth Annual General Meeting under Section 180(1)(c) of the Companies Act, 2013.

Accordingly, the approval of the Members is being sought by way of special resolution as set out at Item No. 8 of this Notice, authorising the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to issue Non-Convertible Securities, including but not limited to NCDs, up to an aggregate amount not exceeding ₹ 10,000 crores (Rupees Ten Thousand Crore only) on a private placement basis, at discount or at par or at premium and at such interest rate as may be appropriate considering the prevailing money market conditions at the time of the issuance of such securities.

The Board commends the special resolution as set out at Item No. 8 of this Notice for your approval.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 9

Pursuant to Section 188 of the Companies Act, 2013 (“the Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014 (‘Rules’), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of special resolution, in case certain Related Party Transactions exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm’s length basis.

However, pursuant to Clause 49 (VII) of the Listing Agreement entered into with the Stock Exchanges, approval of the members through special resolution is required for all material related party transactions, even if they are entered into in the ordinary course of business and on arm’s length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm’s length basis and in the ordinary course of business. All such transactions have approval of the Audit Committee and the Board, wherever required.

The transaction(s) entered into by the Company, together with the transactions already entered with Indus Towers Limited (Indus), a Joint Venture of the subsidiary company, namely Aditya Birla Telecom Limited, qualifies to be a Material Related Party transaction as per Clause 49(VII) of the Listing Agreement entered into with Stock Exchange(s).

The Company has existing arrangements with Indus Towers Limited (Indus), which is in the ordinary course of business and at arm’s length basis. However, the value of transactions with Indus in respect of financial year 2014-15 and the estimated value of transaction from next financial year onwards is likely to exceed 10% of the annual consolidated turnover of the Company, based on the audited financial statements for year ended March 31, 2015. Indus is a joint venture of Aditya Birla Telecom Limited, a subsidiary of the Company, which is a ‘Related Party’ as per definition under Section 2(76) of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Indus is currently the world’s largest tower Company providing passive infrastructure services and related operations and maintenance services to various telecom operators in India, including your Company. Indus is a three way joint venture Company, promoted by Bharti Group, Vodafone Group and Aditya Birla Telecom Limited, to render passive infrastructure services to telecom service providers. Your Company had entered into a Master Service Agreement (MSA) with Indus in 2008 for availing passive infrastructure services provided by them in certain service areas. The MSA requires individual tenancy service contracts to be executed for each passive infrastructure site, the terms of which vary depending on the location, type of site, number of existing tenants, etc., and contain lock in periods for ensuring continuity. Such terms are similarly applicable to all other telecom providers having arrangements with Indus.

The particulars of the contract / arrangement with Indus are as under:

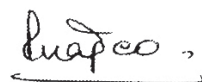
Particulars	Information
Name of the Related Party and Nature of Relationship	Indus Towers Limited (Indus) [Joint Venture (By agreement) of wholly owned subsidiary]
Nature of Contract	Master Service Agreement (MSA) for Passive Infrastructure services and related Operations & Maintenance services
Duration of Contract	The maximum term of each tenancy service contract executed for each passive infrastructure site under the MSA is 10 years, with either party having a right to terminate, subject to certain conditions.
Salient features of Contract	Passive Infrastructure services are provided by Indus mainly on co-sharing basis for each passive infrastructure site, after obtaining necessary approvals, which enables the Company to deploy active telecommunications equipment on sites for providing telecom services.
Justification for entering into such contract	Passive infrastructure services are essential for deployment of active telecommunications equipment at the sites. Indus is currently the country's largest tower Company providing passive infrastructure services and related operations and maintenance services at competitive rates to various telecommunications operators and meets the business requirements of your company in rollout speeds given its presence in majority of the telecom service areas.
Date of Approval of the Board / Audit	Audit Committee March 31, 2015 Board Meeting April 28, 2015
Value of Transaction for the year ended March 31, 2015	₹ 32,749 Mn
Estimated Value of Transactions	Estimated Value of Transactions of ₹ 42,000 Mn each financial year

In terms of the said provisions of Clause 49, based on past trend, the transactions as described above are likely to exceed 10% of the Annual Consolidated Turnover as per last audited financial statements of the Company and may exceed the materiality threshold as prescribed under Clause 49. Thus, in terms of Clause 49, these transactions would require the approval of the members by way of special resolution.

The Board commends the special resolution as set out in Item No. 9 of this Notice for your approval.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution, except Mr. Himanshu Kapania (Managing Director) and Mr. Akshaya Moondra (Chief Financial Officer), who are representatives of the Company on the Board of Indus and their relatives.

By Order of the Board
For Idea Cellular Limited



Pankaj Kapdeo
Company Secretary

Place: Mumbai
Date: August 25, 2015

Disclosure relating to Directors pursuant to Clause 49 of the Listing Agreement and Secretarial Standards on General Meeting:

Name of Director	Mrs. Rajashree Birla	Dr. Shridhir Sariputta Hansa Wijayasuriya	Mr. Himanshu Kapania
Date of Birth/Age	September 15, 1945/69 years	April 02, 1968/47 years	April 23, 1961/ 54 years
Date of First Appointment	June 20, 2006	January 29, 2013	April 1, 2011
Expertise in specific General Functional area	Industrialist	Wide experience in Telecom Industry and Business Management	Vast experience in Telecom Industry and General Management
Qualification	Bachelor of Arts	1. M.A. from University of Cambridge (UK) 2. M.B.A. University of Warwick (UK) 3. Ph.D. from University of Bristol (UK) 4. Chartered Engineer (UK)	1. B. Tech in Electrical Engineering from Birla Institute of Technology, Mesra 2. PGDBM (Marketing) from IIM, Bangalore
Shareholding in the Company	NIL	NIL	2,84,375
No. of Board meetings attended during FY 2014-15	4	5	7
List of outside Directorships held (Public Limited Companies)	1. Grasim Industries Ltd. 2. Aditya Birla Nuvo Ltd. 3. Hindalco Industries Ltd. 4. Aditya Birla Health Services Ltd. 5. Ultra Tech Cement Ltd.	None	1. Aditya Birla Telecom Ltd. 2. Idea Telesystems Ltd. 3. Idea Cellular Services Ltd. 4. Idea Cellular Infrastructure Services Ltd. 5. Indus Towers Ltd. 6. Idea Mobile Commerce Services Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	None	Audit Committee- Member	Stakeholders' Relationship Committee- Member
Chairman/Member of the Committee of Directors of other Public Limited Companies in which he/she is a Director			
a) Audit Committee	None	None	Idea Mobile Commerce Services Ltd. - Member
b) Stakeholders' Relationship Committee	None	None	None

Note: Pursuant to Clause 49 of the Listing Agreement, only two committees viz. Audit Committee and Stakeholders' Relationship Committee have been considered.



IDEA CELLULAR LIMITED

CIN: L32100GJ1996PLC030976

Registered Office: Suman Tower, Plot No. 18, Sector – 11, Gandhinagar 382 011, Gujarat

E-mail: shs@idea.adityabirla.com, Website: www.ideacellular.com

Tel.: + 91-79-66714000, Fax : + 91-79-23232251

PROXY FORM

ANNUAL GENERAL MEETING - 28th September, 2015 at 12.30 P.M.

Name of the Member(s) :	
Registered address :	
E-mail ID :	
Folio No/DP ID Client ID :	

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

1. Name: _____
of E-mail ID _____
Address: _____
Signature: _____, or failing him / her
2. Name: _____
of E-mail ID _____
Address: _____
Signature: _____, or failing him / her
3. Name: _____
of E-mail ID _____
Address: _____
Signature: _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Monday, the 28th day of September, 2015 at 12:30 p.m. at Cambay Sapphire (Formerly Cambay Spa and Resort), Plot No. 22-24, Near GIDC, Opposite Hillwoods School, Sector-25, Gandhinagar – 382 044, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
1.	Adoption of the Audited Financial Statements and Audited Consolidated Financial Statements for the Financial Year ended March 31, 2015 together with the Reports of the Board of Directors' and Auditors' thereon		
2.	Declaration of Dividend		
3.	Re-appointment of Mrs. Rajashree Birla, Director retiring by rotation		
4.	Re-appointment of Dr. Shridhir Sariputta Hansa Wijayasuriya, Director retiring by rotation		

Resolution No.	Resolutions	Optional*	
		For	Against
5.	To ratify appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company for FY 2014-15		
6.	Remuneration of Cost Auditors		
7.	Re-appointment of Mr. Himanshu Kapania as the Managing Director of the Company for a further period of five years		
8.	Issue of Non-convertible Securities on Private Placement Basis		
9.	Approval of material related party transactions with Indus Towers Limited		

Signed this _____ day of _____ 2015.

Affix
Re.1/-
Revenue
Stamp

Signature of shareholder: _____

Signature of Proxy holder(s): _____

- Notes:
1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. A proxy need not be a Member of the Company.
 3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
 4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
 5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
- * It is optional to put a "X" in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the Resolutions, your Proxy will be entitled to vote in the manner as He/ She thinks appropriate.



IDEA CELLULAR LIMITED

CIN: L32100GJ1996PLC030976

Registered Office: Suman Tower, Plot No. 18, Sector - 11, Gandhinagar 382 011, Gujarat
E-mail: shs@idea.adityabirla.com, Website: www.ideacellular.com, Tel.: + 91-79-66714000, Fax: + 91-79-23232251

ANNUAL GENERAL MEETING - 28TH SEPTEMBER, 2015 AT 12:30 PM

BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Name(s) of the First Named Shareholder (In Block Letters)

Postal Address:

Registered Folio No. /D.P ID and Client ID :

Number of Equity Shares held :

I/ We hereby exercise my/our vote in respect of the following resolution(s) to be passed at the Twentieth Annual General Meeting of the Company, to be held on Monday, the 28th day of September, 2015 at 12:30 p.m. at Cambay Sapphire (Formerly Cambay Spa and Resort), Plot No. 22-24, Near GIDC, Opposite Hillwoods School, Sector 25, Gandhinagar - 382 044, in respect of businesses as stated in the Notice dated August 25, 2015 by conveying my/our assent/dissent to the said resolutions(s) by placing the tick (✓) mark at the box against the respective matters:

Item No.	Resolutions	No. of Equity Shares Held	I/We assent the resolution (FOR)	I/We dissent the resolution (AGAINST)
1.	Adoption of the Audited Financial Statements and Audited Consolidated Financial Statements for the Financial Year ended March 31, 2015 together with the Reports of the Board of Directors' and Auditors' thereon			
2.	Declaration of Dividend			
3.	Re-appointment of Mrs. Rajashree Birla, Director retiring by rotation			
4.	Re-appointment of Dr. Shridhir Sariputta Hansa Wijayasuriya, Director retiring by rotation			
5.	To ratify appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as statutory auditors of the Company for FY 2015-16			
6.	Remuneration of Cost Auditors			
7.	Re-appointment of Mr. Himanshu Kapania as the Managing Director of the Company for a period of five years			
8.	Issue of Non-convertible Securities on Private Placement Basis			
9.	Approval of material related party transactions with Indus Towers Limited			

Place : _____

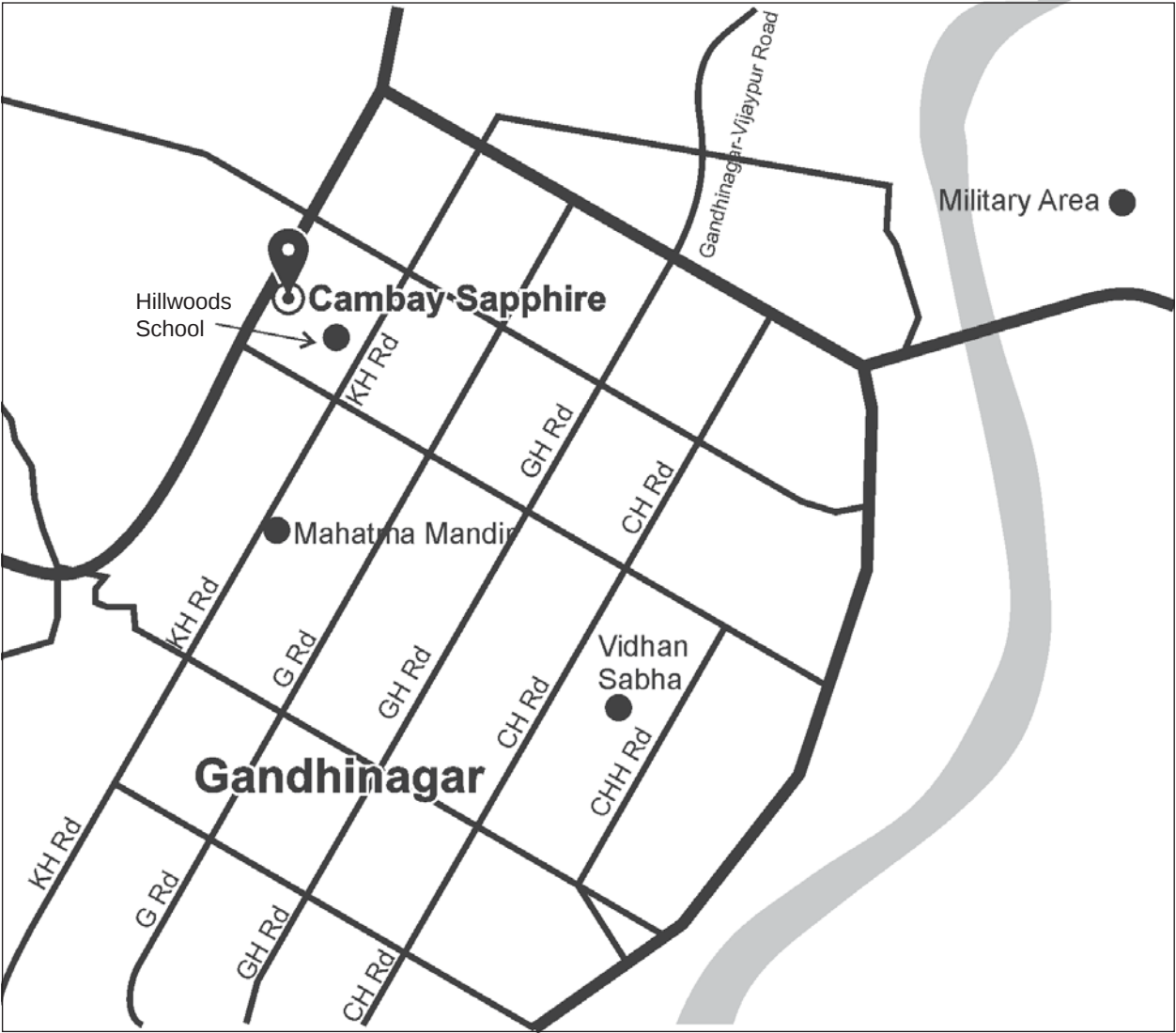
Date : _____

Signature of the Member/ Beneficial Owner

INSTRUCTIONS FOR FILLING THE BALLOT FORM

- A member desiring to vote by ballot form may complete this ballot form and send it to the Scrutinizer, appointed by the Company viz: Mr. Umesh Ved, proprietor of M/s. Umesh Ved & Associates, Practicing Company Secretaries, at 304, Shoppers Plaza - V, Opp. Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009.
- In case of companies, trusts, societies etc the duly completed ballot form should be accompanied by a certified true copy of Board Resolution/Authority.
- Unsigned Ballot Forms will be rejected.
- A Member need not cast all the votes in the same way.
- Duly completed Ballot Form should reach the Scrutiniser not later than 5.00 p.m. on Sunday, September 27, 2015 at the address mentioned in point no. 1 above.
- The Scrutinizer's decision on the validity of Ballot Form will be final.

Route Map for Venue of Annual General Meeting





IDEA CELLULAR LIMITED

CIN: L32100GJ1996PLC030976

Registered Office: Suman Tower, Plot No. 18, Sector – 11, Gandhinagar - 382 011, Gujarat

Email: shs@idea.adityabirla.com, **Website:** www.ideacellular.com,

Tel: + 91-79-66714000, **Fax:** +91-79-23232251

Attendance Slip for the 20th Annual General Meeting (to be handed over at the registration counter)

Folio No. /	:
DP ID and Client ID	
Name	:
Address	:
No. of Shares	:

I/We hereby record my / our presence at the 20th Annual General Meeting of the Company on Monday, 28th September, 2015 at 12:30 p.m. at Cambay Sapphire (Formerly Cambay Spa and Resort), Plot No. 22-24 Near GIDC, Opposite Hillwoods School, Sector 25, Gandhinagar - 382 044, Gujarat.

_____	_____	_____
First/Sole holder / Proxy	Second holder / Proxy	Third holder / Proxy

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password / PIN

Notes:

1. The Company is pleased to offer the option of remote e-voting facility to the Members. The business, as set out in the Notice of the Annual General Meeting (AGM), may be transacted by remote e-voting. Members desiring to exercise remote e-voting option may refer to the detailed procedure on electronic voting provided in the Notice of the AGM.
2. The e-voting period will commence on Friday, September 25, 2015 (9:00 A.M. IST) and will end on Sunday, September 27, 2015 (5:00 P.M. IST).