Idea Cellular Limited

Investor Presentation

ADITYA BIRLA GROUP

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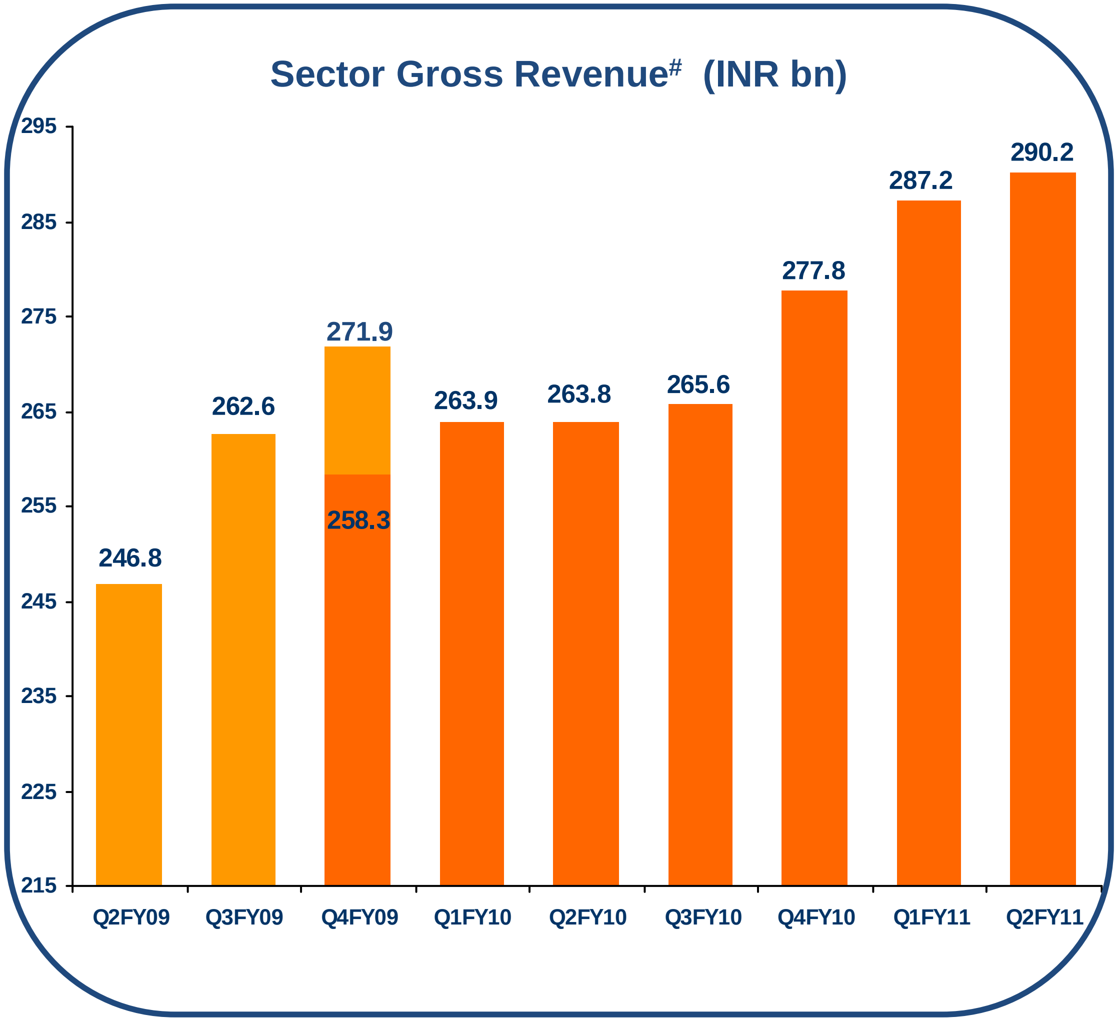
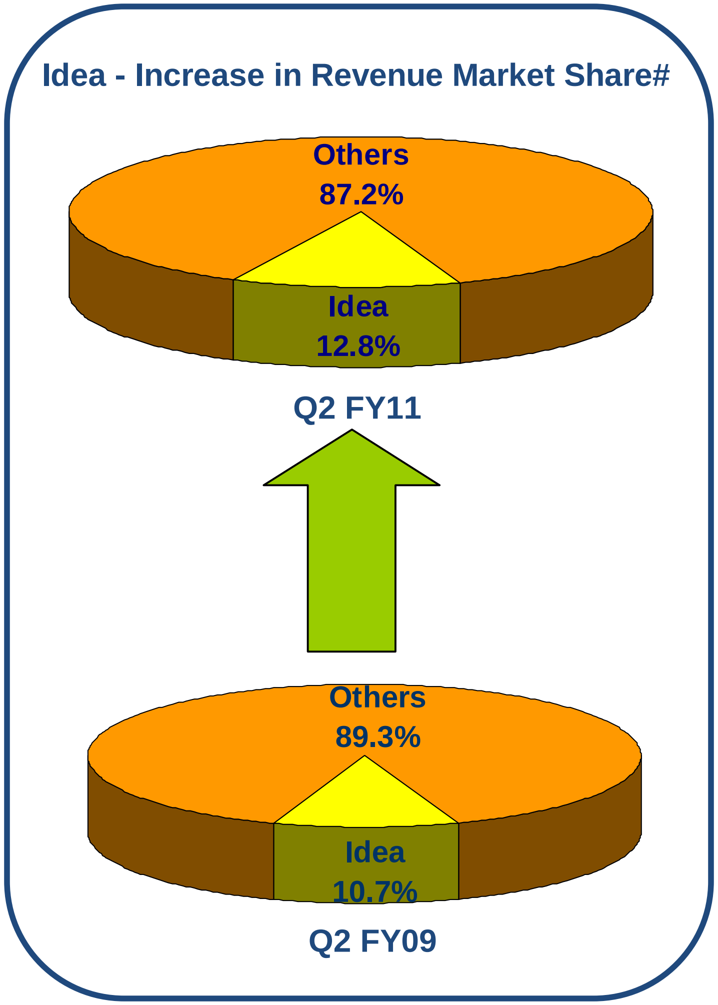
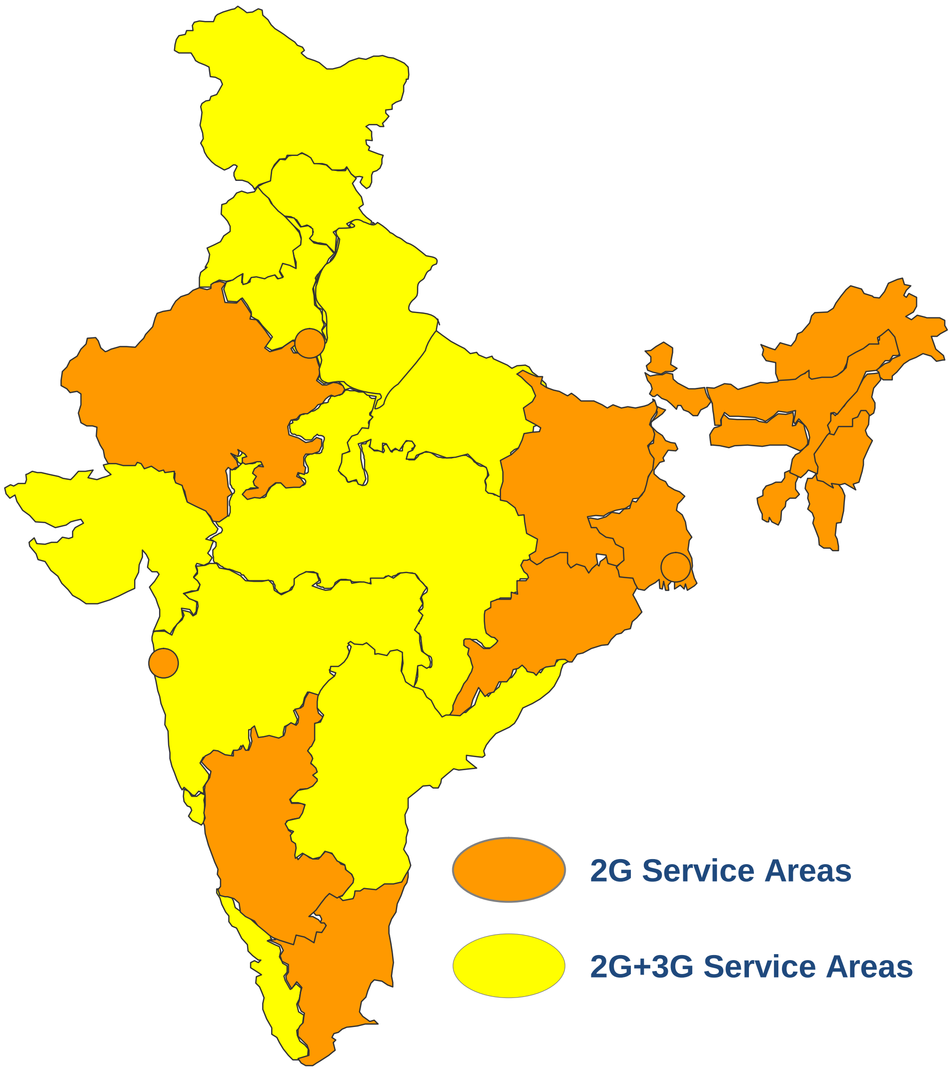
Indian Wireless Sector – Revenue Trend





Source: Data released by the TRAI; revenue for UAS and Mobile licenses only

Idea – An Overview



2G Service Areas

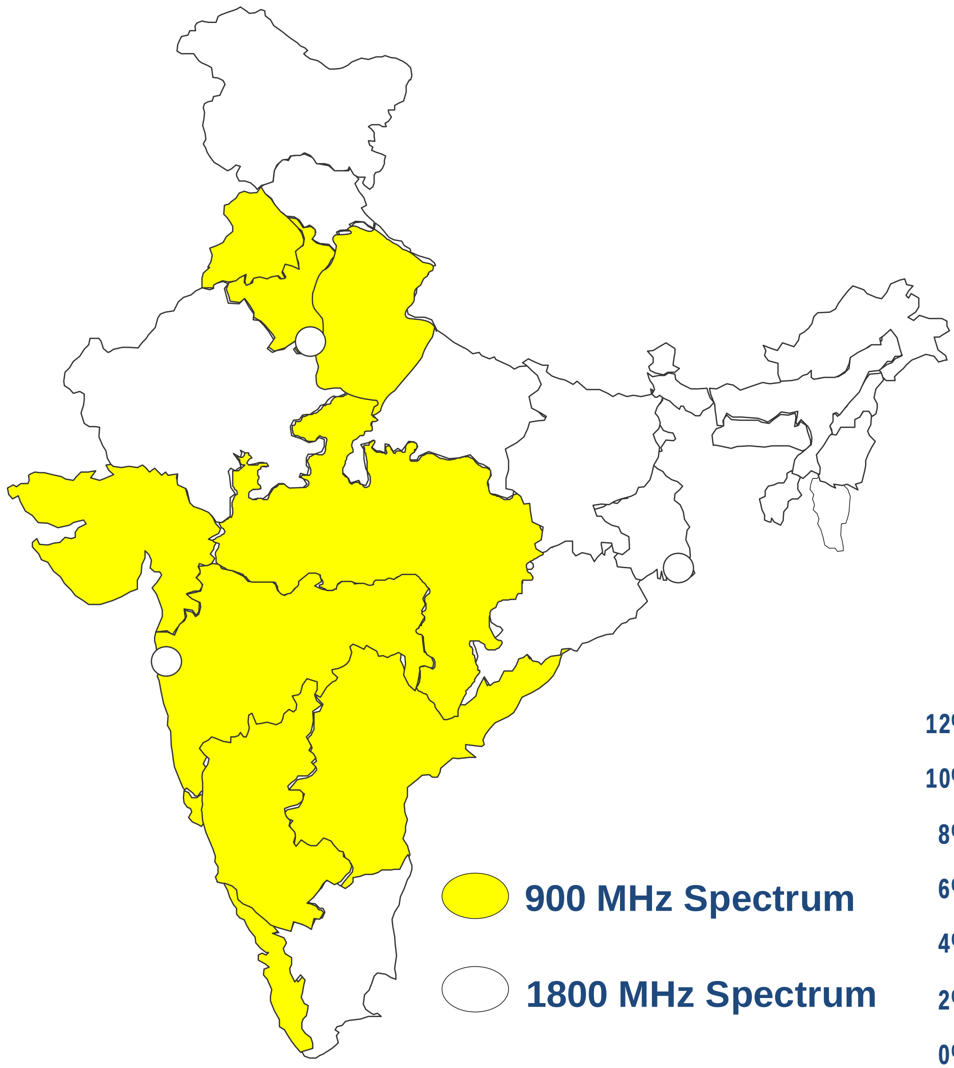
2G+3G Service Areas

- A pan India 2G service provider, with all 22 licenses under a single legal entity
- Third largest operator in India, based on Revenue Market Share (RMS)*
- > 334bn minutes of use on network (Annualised based on H1FY11)
- Winner of 3G spectrum in 11 service areas

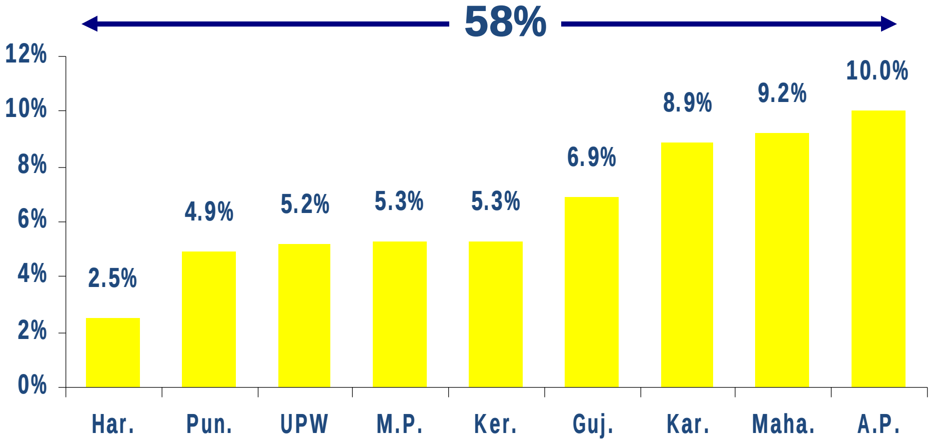
[#] Source: Data released by the TRAI; revenue for UAS and Mobile licenses only

Competitiveness Lever 1 - Spectrum

- 900 MHz spectrum band provides capex/opex advantage, compared to 1800 MHz
- 900 MHz spectrum also accompanied by early mover advantage
- Idea holds 900 MHz spectrum in 9 service areas, covering
  - ~ 48% of national revenue and ~77% of Idea's revenue
  - ~ 58% of national revenue base (excl. metros*)
- Idea's spectrum profile is very attractive across all private operators



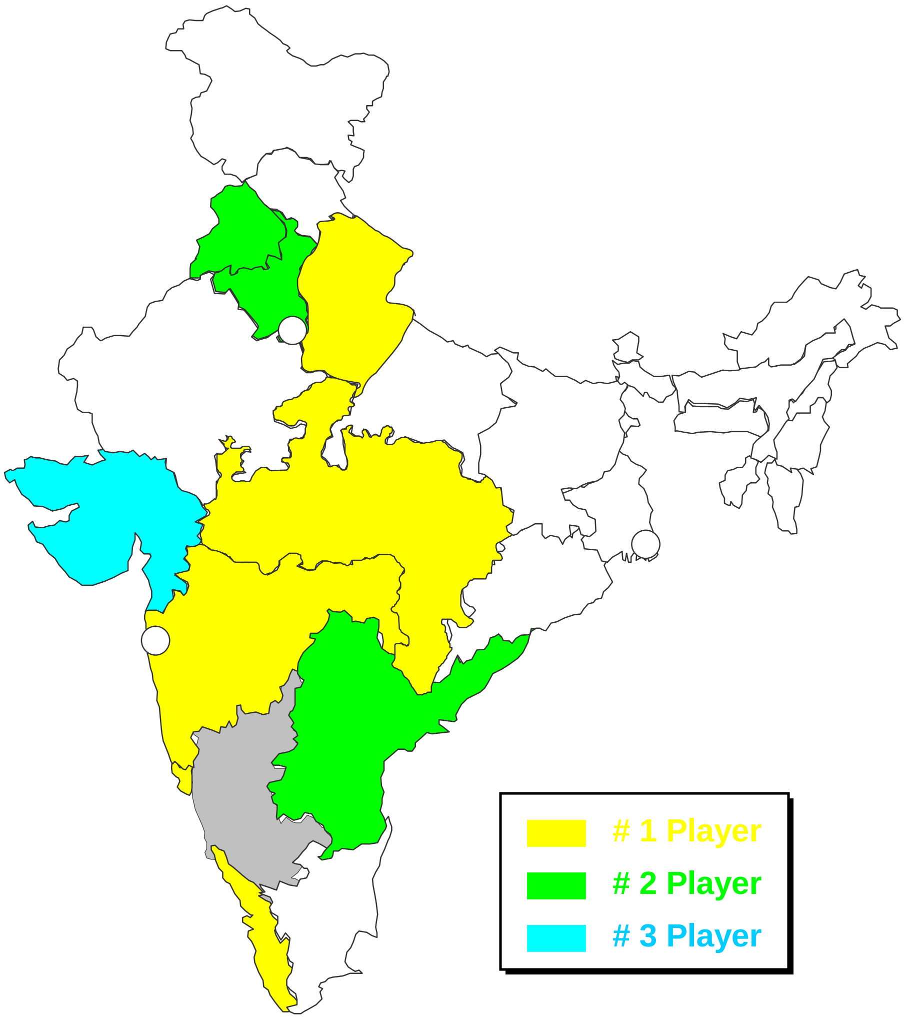
Service areas share of gross revenue (excl. metros)



Source: Data released by the TRAI for H1FY11 quarter; revenue for UAS and Mobile licenses only

* Metros as Mumbai, Delhi and Kolkata

Competitiveness Lever 2 - Scale within Service Area



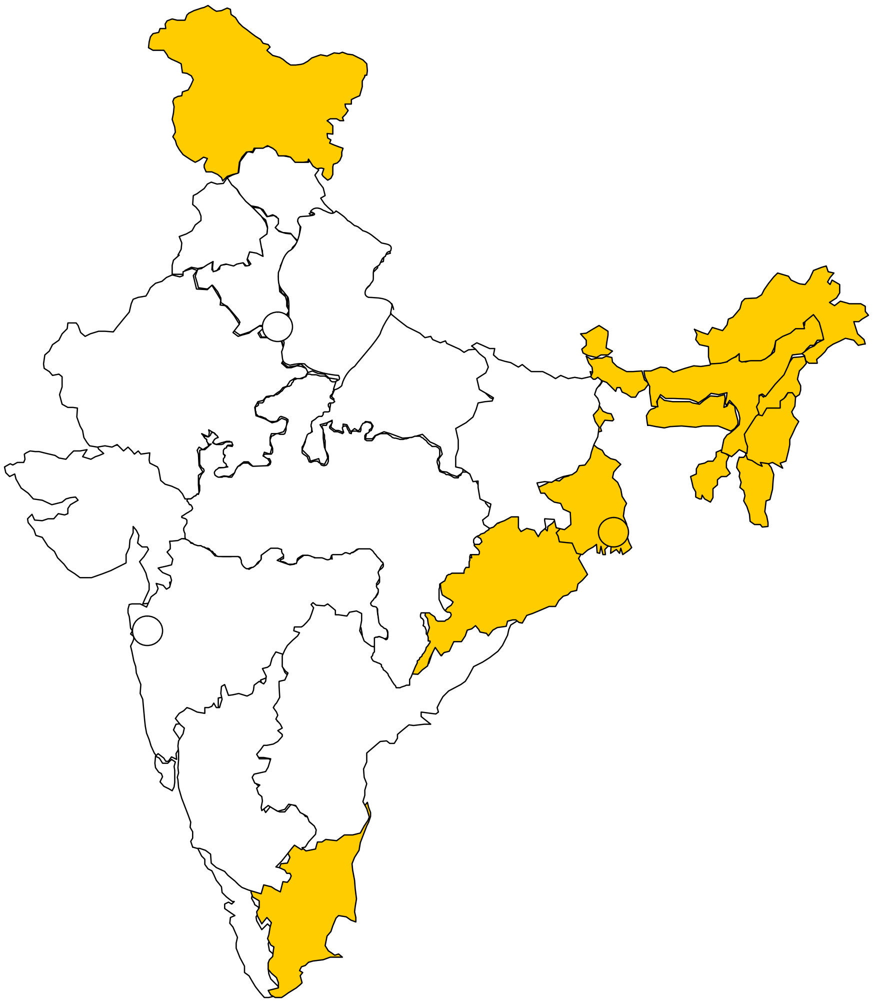
Service Area (900 MHz)	Revenue Mkt Share [1] (RMS)	Rank [2]
M.P.	30.2%	1
Kerala	29.6%	1
Maharashtra	29.2%	1
UP (W)	27.4%	1
Haryana	19.8%	2
Punjab	18.9%	2
A.P	16.3%	2
Gujarat	17.4%	3
Karnataka	6.9%	5
Total	**20.9%**	**2**

[1] *Based on gross revenue for H1FY11, as released by TRAI*

[2] *Based on revenue market share*

In 9 service areas, comprising ~ 48% of national revenue market, Idea's competitiveness is intrinsically strong based on a) 900 MHz spectrum and b) scale of operations

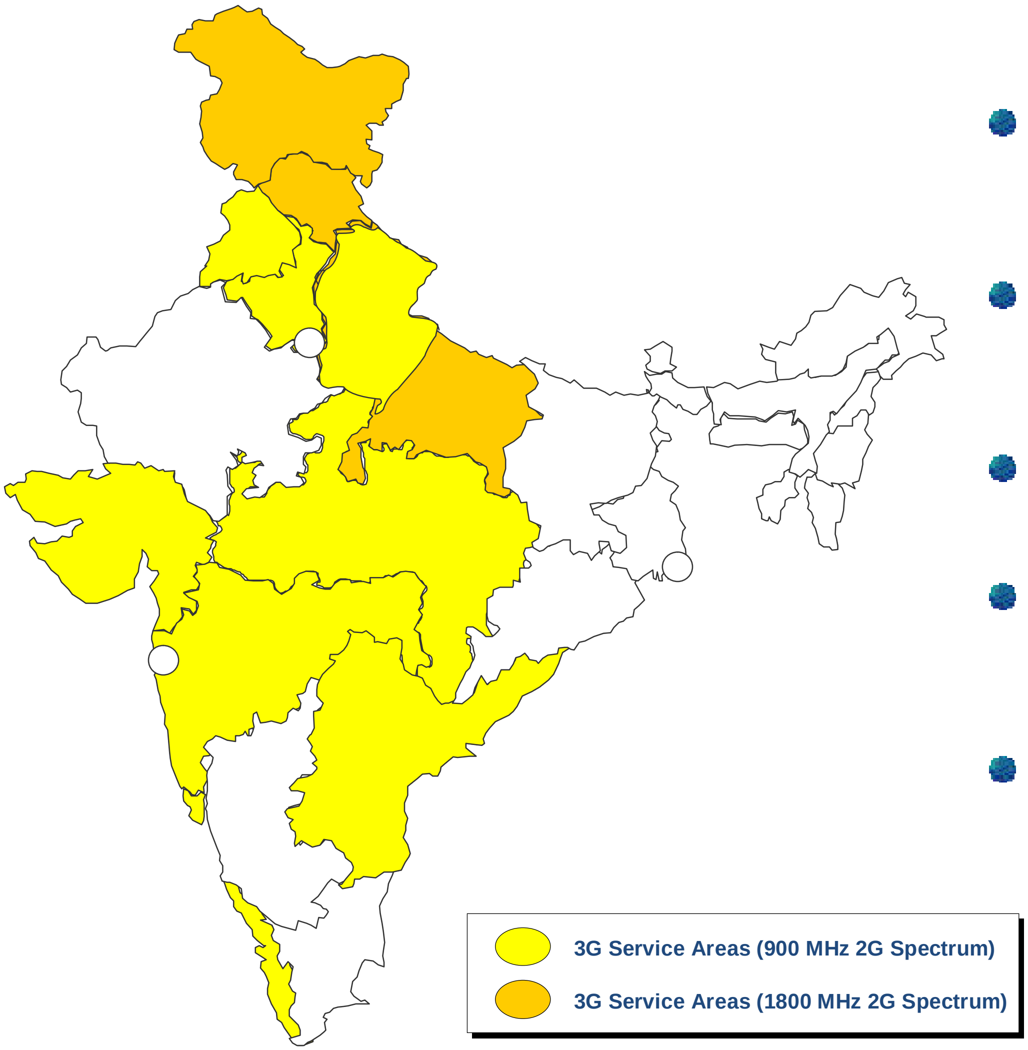
1800 MHz New Operations (7 Service Areas)
Focus On Optimisation, Not Maximisation



- Providing pan India footprint
- Leverage synergies of pan India operations i.e. roaming, NLD, ad spend, common network elements, etc.
- Infra sharing to reduce capex, and quicker time to market
- Focus on operational and financial goals, not league tables

3G Auction

Winner Where It Counts



- **Winner in 11 service areas, covering ~48% of all India revenue**
- **All 8 Service Areas where Idea is #1/2/3 are covered**
- **Covers 78% of Idea's revenue**
- **Total payment Rs 57.69bn, lowest among major operators**
- **Intra-Circle roaming arrangements may provide further opportunity**

Idea – Long Term Shareholder Value

900 MHz (9 Service Areas)

Cover ~47% of national revenue market

Strong position in these service areas

900 MHz spectrum accompanied by early mover advantage

900 MHz spectrum provides capex and opex advantage

Leverage spectrum and scale to enhance leadership

+

1800 MHz (13 Service Areas)

Pan India Footprint

Leverage synergies of scale and footprint

Strong presence in Delhi and Mumbai

Calibrated Capex with infra sharing etc

Focus on operational & financial goals, not league tables

Sustainable and profitable growth

+

3G Value Drivers (11 Service Areas)

Market power to drive new business – Ranked #1 or #2, in 7 out of 11 service areas

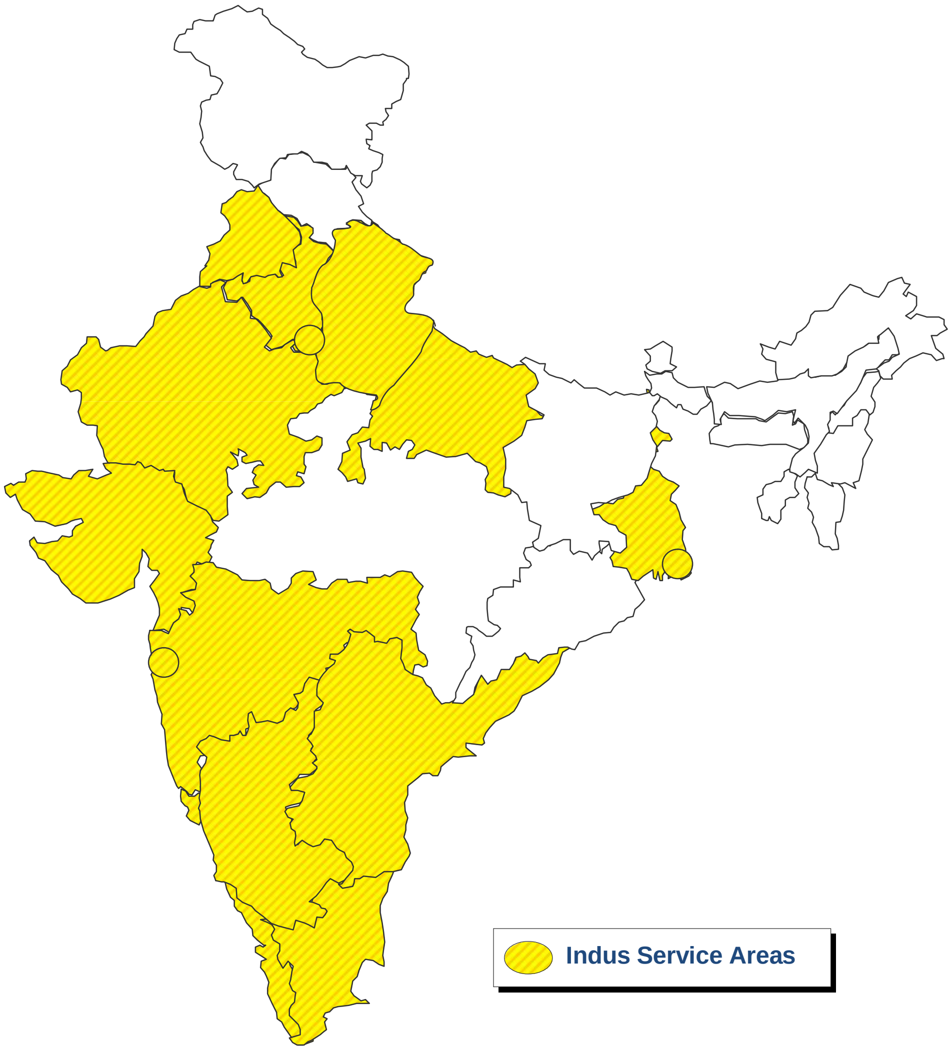
Protecting existing business value - 3G footprint covers ~78% of company revenue

Other value - High 2G spectrum utilisation makes the 3G spectrum also valuable for voice

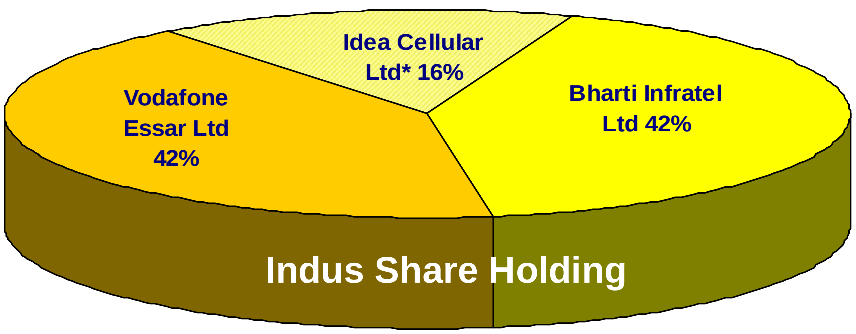
Affordability – Payout < 6 months revenue for 11 service areas

Best placed to exploit 3G

The Indus Advantage



- Provides passive infrastructure services in 15 service areas
- Largest independent tower company in the world with over 106,000 towers
- Indus benefits from assured tenancy from promoters (combined revenue market share of ~66%*), apart from other operators
- Idea benefits by reduced capex, speed to market, and embedded value of shareholding

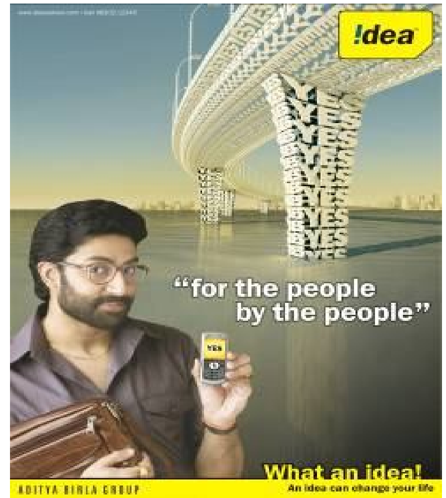


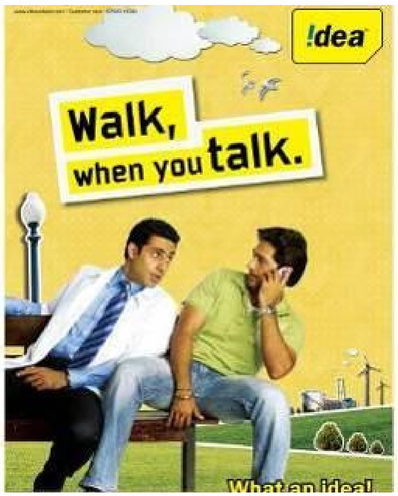
*through Aditya Birla Telecom Ltd.

* Data released by the TRAI; revenue for UAS and Mobile licenses only

Idea – A Power Brand

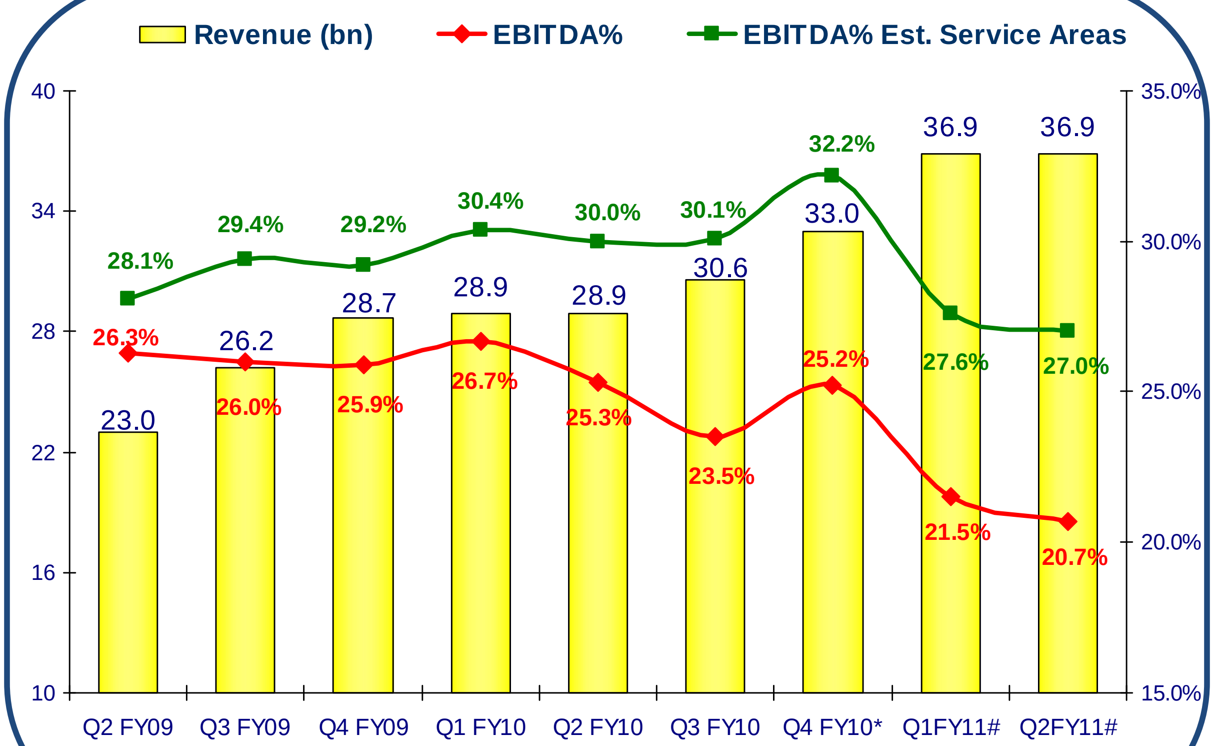
No. 4 Buzziest Brand in India Across All Categories – Third year in a row*



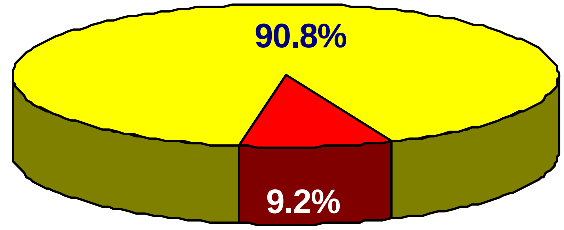


** Buzziest Brands of the Year Poll 2009*

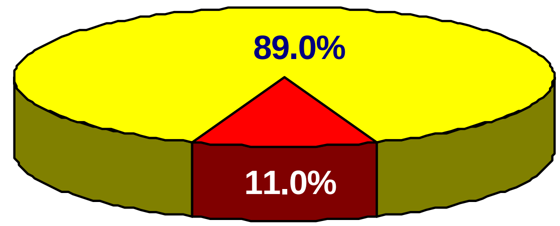
Margins that tell a story[1]



Revenue Distribution Q2FY11#



Investment Distribution as on Sep'10#



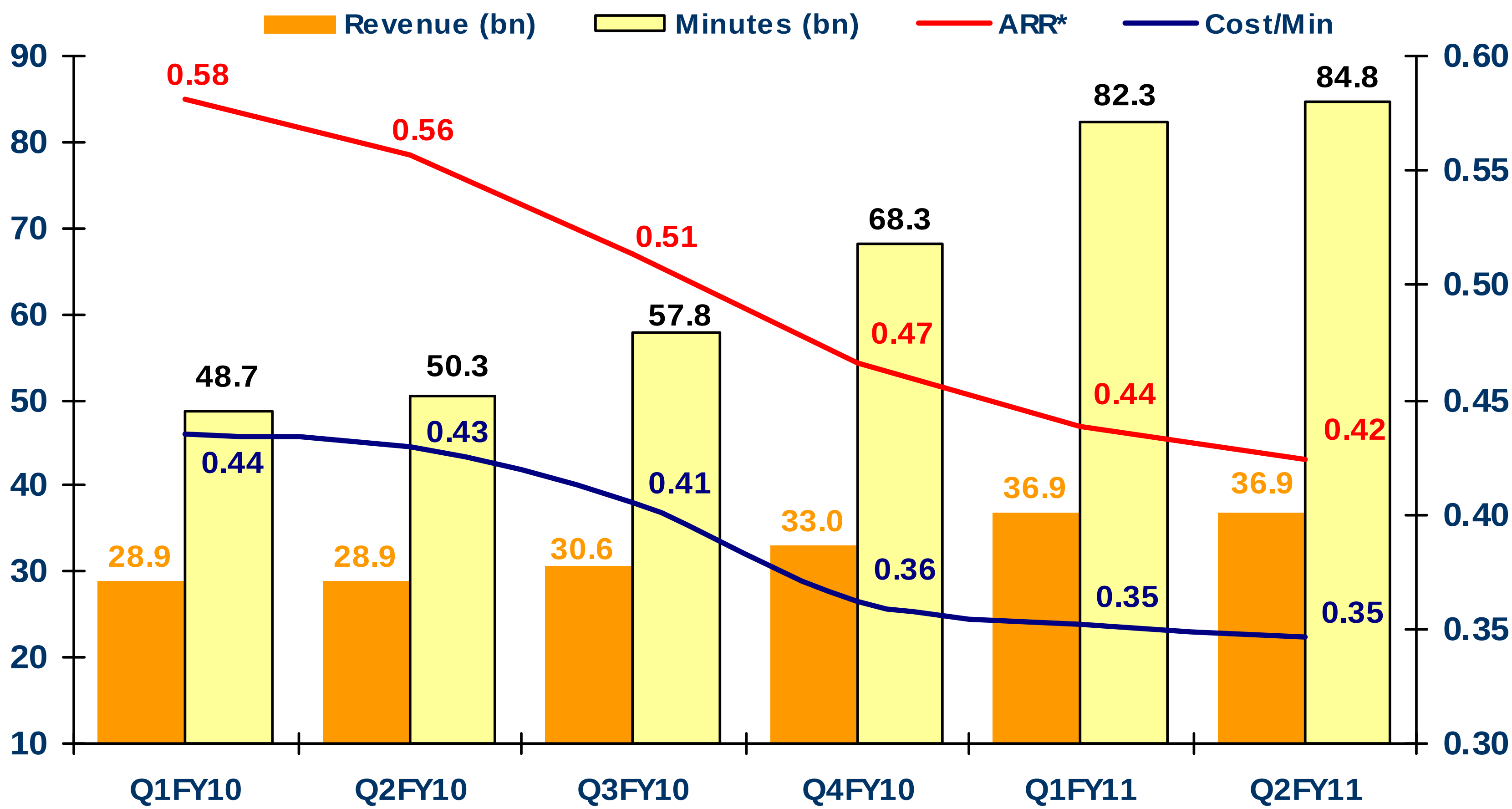
Established Service Areas

New Service Areas

In a period charaterised by hyper-competition, over capacity and significant decline in ARR, margins for Established Service Areas have remained almost intact. Decline in overall margins is due to roll out of 9 New Service Areas.

* incl. figures for erstwhile Spice Comm. for the month of / as of Mar'10, # Incl. figures for erstwhile Spice Comm. for FY11, [1]*Idea and its 100% subsidiaries*

World Class Operations and Cost Management



- In an over-crowded sector, Idea is among the very few companies which have the capability to maintain and grow quality operations at a realised rate of 42p, and still turn in reasonable profits
- Arguably, Idea among the most competitive operators in the world

**ARR is based on service revenue (exclusive of infrastructure revenues)*

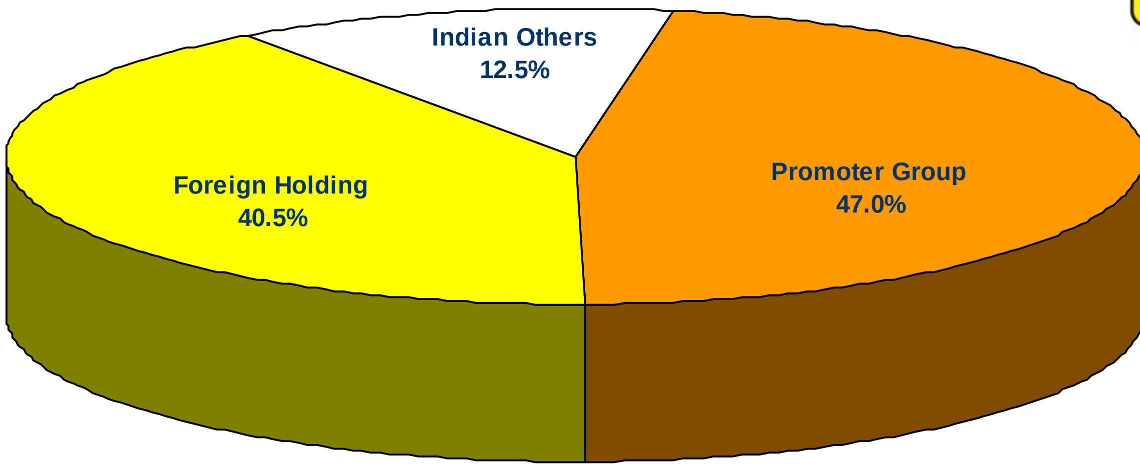
Strong Balance Sheet to Support Strategic Intent

INR bn	Q1 FY09	Q1 FY10	Q4 FY10	Q1 FY11	Q2 FY11
Balance Sheet[1]					
Gross debt	97.4	60.9	65.3	97.8	97.5
Cash & Cash equivalent	9.2	26.6	14.0	1.2	5.0
Net Debt	88.3	34.3	51.3	96.6	92.5
Net Worth	38.1	136.5	114.1	116.1	117.8
Cash Profit[1]	5.7	7.3	7.7	7.2	7.0
Financial Ratios[1]					
Net Debt to Net Worth	2.32	0.25	0.45	0.83	0.79
Net Debt to Annualised EBITDA	3.06	1.11	1.54	3.04	3.04
ROCE	14.7%	9.3%	8.7%	6.4%	4.7%

[1]Figures for Idea including its 100% subsidiaries and excluding Joint Venture Spice (till February 28,2010) and Indus.

Shareholding

As on 30th Sep'10



PROMOTERS' HOLDING

ADITYA BIRLA NUVO LIMITED	25.4%
BIRLA TMT HOLDINGS PVT LTD	8.6%
HINDALCO INDUSTRIES LIMITED	6.9%
GRASIM INDUSTRIES LTD	5.2%
OTHERS	0.9%

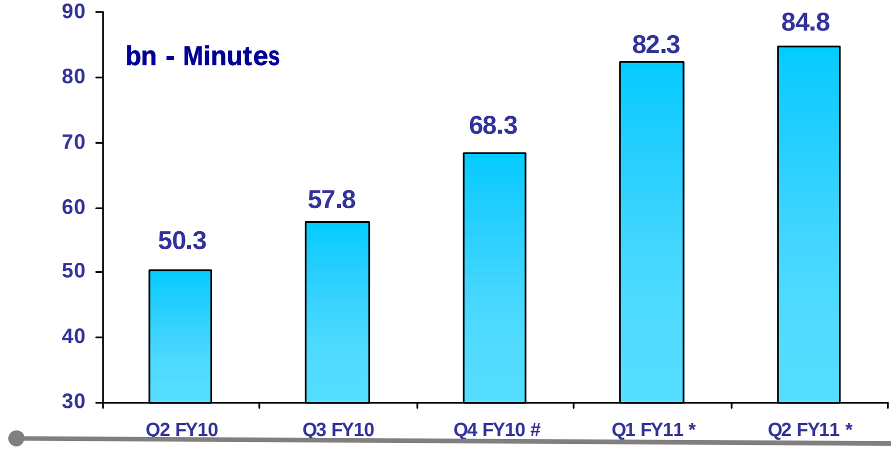
TOP 5 SHAREHOLDERS

TMI MAURITIUS	14.1%
P5 ASIA INVESTMENTS (MAURITIUS)	10.0%
TMI INDIA LTD.	5.0%
MONET LIMITED	2.7%
BAJAJ ALLIANZ LIFE INSURANCE	1.9%

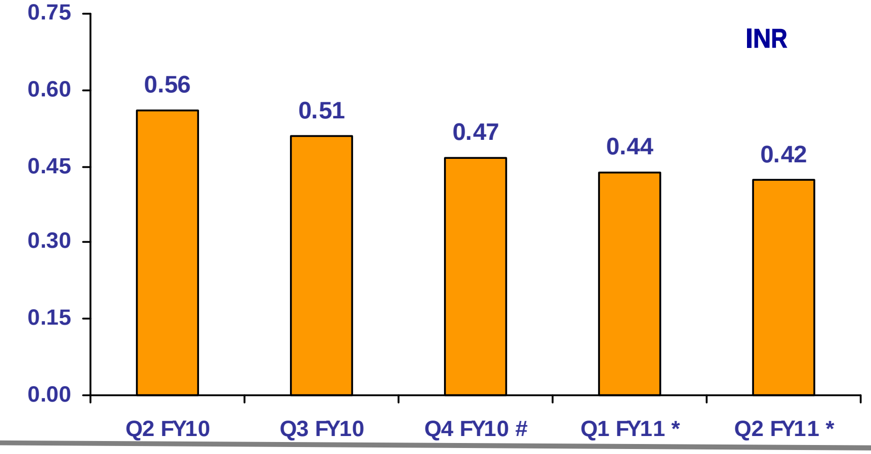
Appendix

Key Trends (Quarterly)

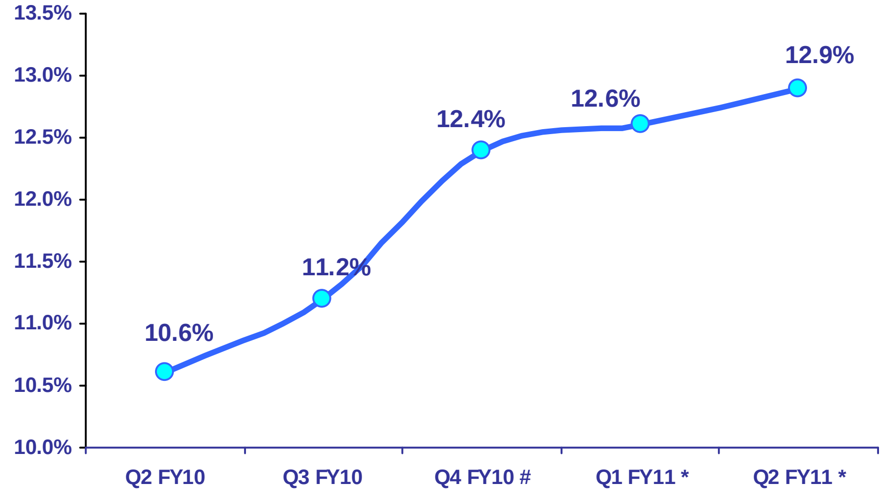
Minutes of use on Network (QoQ)



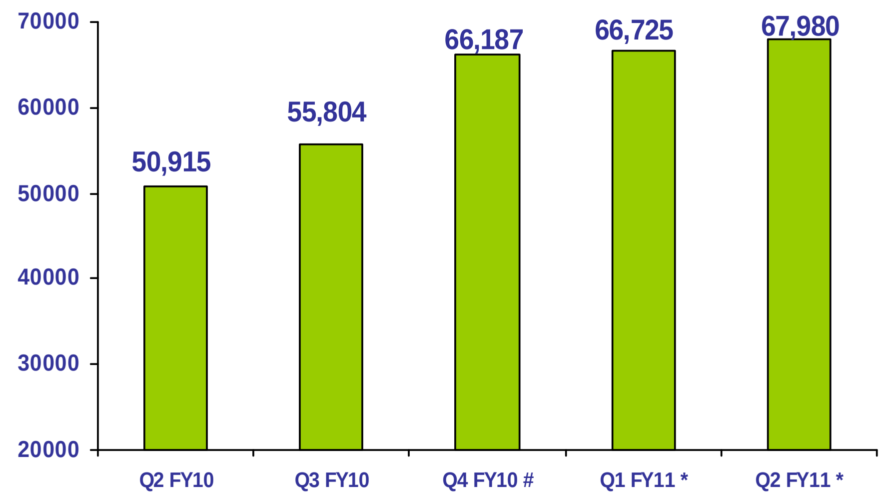
Realized rate per minute



VAS as a % of Revenue



Cell Sites

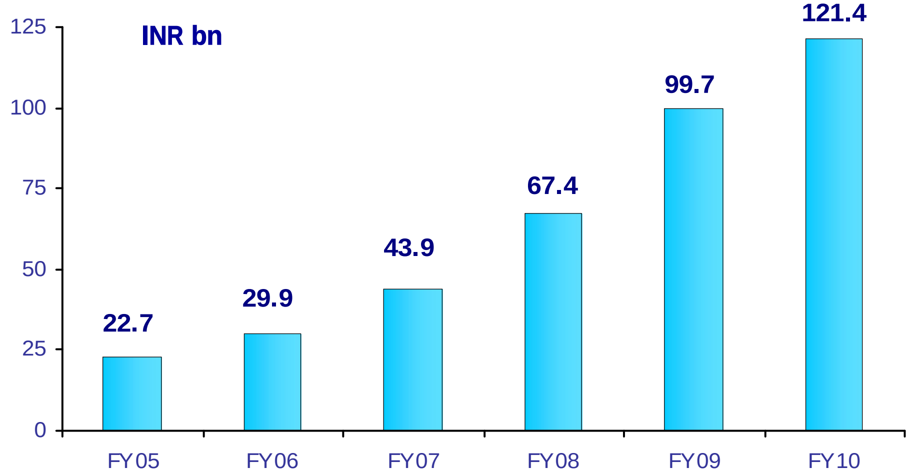


#Includes figures for erstwhile Spice Comm. for the month of /as of March'10

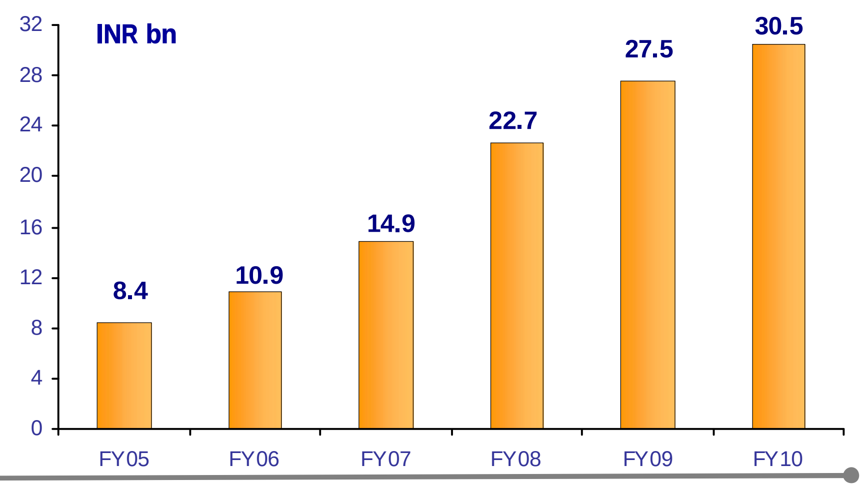
*Includes figures for erstwhile Spice Comm. for FY11

Financial Matrix (Idea*- Annual)

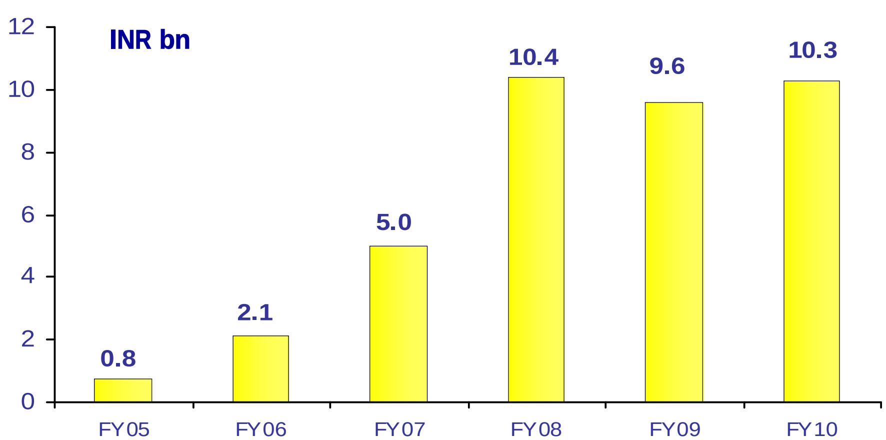
Robust Growth in Top Line



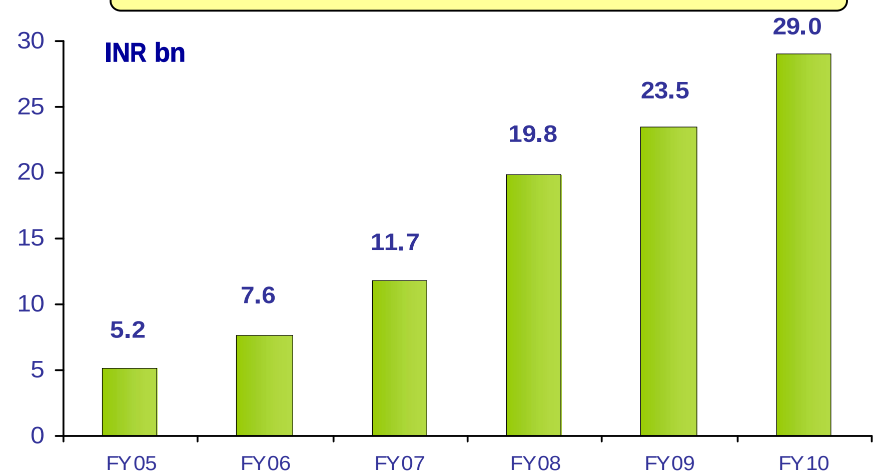
Robust Growth in EBITDA



Robust Growth in Net Profits



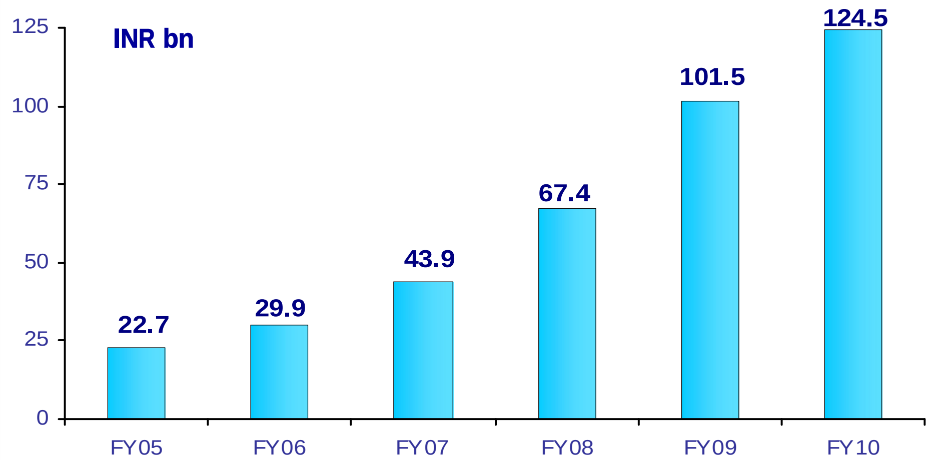
Robust Growth in Cash Profits



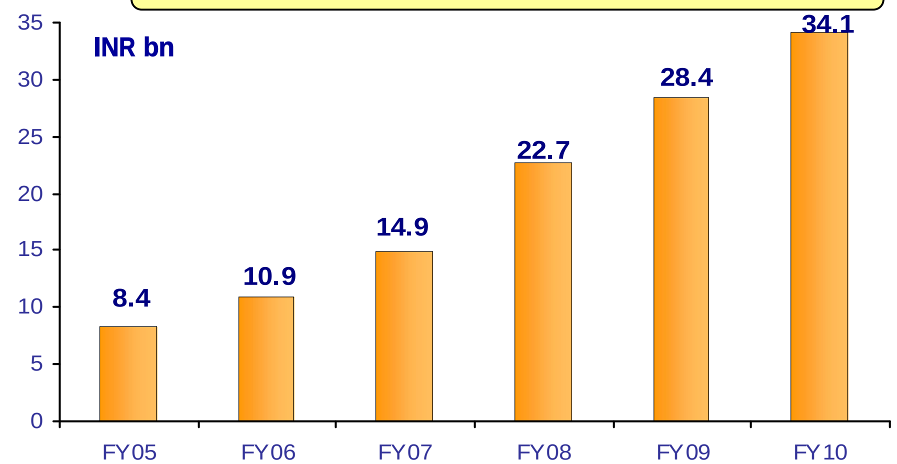
*Represents Idea and its 100% subsidiaries

Financial Matrix (Consolidated*- Annual)

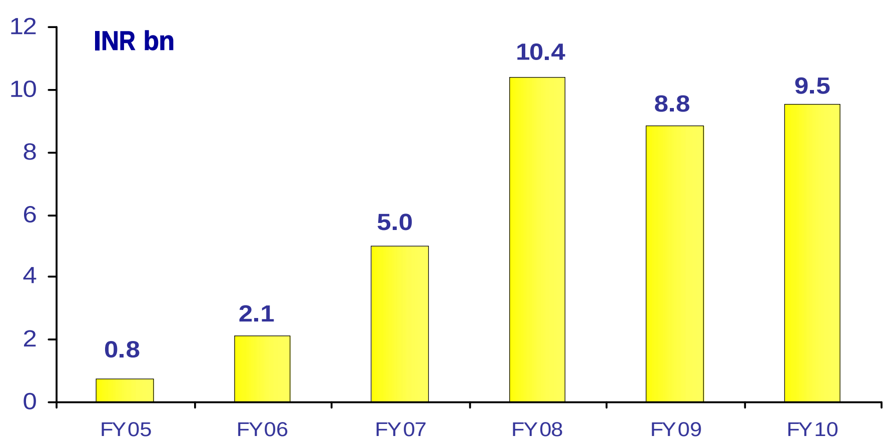
Robust Growth in Top Line



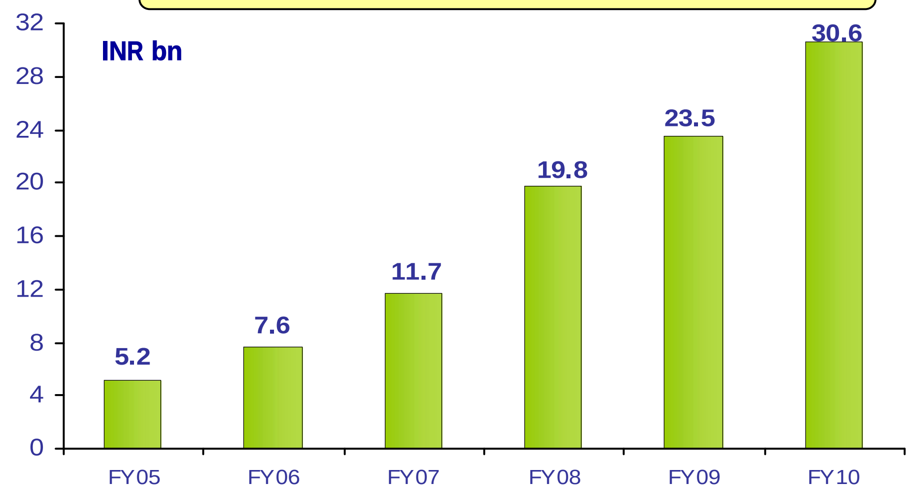
Robust Growth in EBITDA



Robust Growth in Net Profits



Robust Growth in Cash Profits



*Represents Idea, its 100% subsidiaries and Joint Ventures

Thank You

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