

IDEA CELLULAR SERVICES LIMITED
ANNUAL REPORT 2014-15



Independent Auditors' Report

To the Members of
Idea Cellular Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Idea Cellular Services 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 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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.

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 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 does not have any pending litigations which would impact its financial position;
 - 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 : 24th 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. Having regard to the nature of the Company's business/ activities/results, clause (ii), (v), (vi), (ix) and (xi) of the paragraph 3 of the Order are not applicable to the Company.
2. 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 fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such 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, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the rendering of services and during the course of our audit we have not observed any major weakness in such internal control system. During the current year, the Company has no transactions of purchases of fixed assets, inventory and sale of goods.
5. 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, Service Tax 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 Wealth Tax, Customs Duty, Value Added Tax, Excise duty and Cess.
 - b) There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, 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 Income tax and Service Tax which have not been deposited on account of any dispute.
6. The accumulated losses of the company at the end of the financial year are not less than fifty percent of its net worth and the Company has not incurred cash losses during the financial year covered by our audit and in immediately preceding financial year.
7. 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.
8. 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 : 24th April, 2015

IDEA CELLULAR SERVICES LIMITED

Balance Sheet as at March 31, 2015

₹ in '000

Particulars	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	500	500
Reserves and Surplus	4	(2,571)	(7,085)
		(2,071)	(6,585)
Non-Current Liabilities			
Provision for Leave Encashment		21,872	16,586
		21,872	16,586
Current Liabilities			
Trade Payables		76,649	63,192
Other Current Liabilities		7,849	8,478
Provision for Leave Encashment		4,447	3,610
		88,945	75,280
TOTAL		108,746	85,281
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	5	-	-
Deferred Tax Assets	6	8,892	6,749
Long-Term Loans and Advances	7	18,174	14,995
		27,066	21,744
Current Assets			
Trade Receivables	8	71,571	45,582
Cash and Cash Equivalents	9	752	1,374
Short-Term Loans and Advances	10	9,357	16,581
		81,680	63,537
TOTAL		108,746	85,281
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

For and on behalf of the Board

Khurshed Pastakia
Partner
Membership No.: 31544

Akshaya Moondra
Director

Tarjani Vakil
Director

Place : Mumbai
Date : April 24, 2015

IDEA CELLULAR SERVICES LIMITED

Profit & Loss Account for the year ended March 31, 2015

₹ in '000

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Service Revenue		1,335,673	1,120,486
Miscellaneous Receipts		3,116	2,939
Revenue from Operations		1,338,789	1,123,425
Interest Income		970	-
TOTAL		1,339,759	1,123,425
OPERATING EXPENDITURE			
Personnel Expenditure	11	1,123,069	950,860
Administration & Other Expenses	12	208,257	170,552
		1,331,326	1,121,412
PROFIT BEFORE INTEREST, DEPRECIATION & TAXES		8,433	2,013
Interest Expense		2,033	21
Depreciation		-	46
PROFIT/(LOSS) BEFORE TAX		6,400	1,946
Provision for Taxation - Current		4,030	1,039
- Deferred		(2,144)	(41)
PROFIT AFTER TAX		4,514	948
Earnings Per Share of ₹ 10/- each fully paid up (in ₹)	18		
Basic		90.28	18.96
Diluted		90.28	18.96
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 24, 2015

For and on behalf of the Board

Akshaya Moondra
Director

Tarjani Vakil
Director

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Idea Cellular Services Limited is a 100% subsidiary of Idea Cellular Limited and provides manpower services to the Holding Company & Fellow Subsidiaries.

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 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) Revenue Recognition:

Revenue on account of rendering of services is recognised when services are rendered based on agreements/arrangements.

c) Fixed Assets:

Fixed Assets are stated at cost of acquisition and installation less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

d) Depreciation:

Depreciation on Fixed assets is provided on straight-line method on the basis of estimated useful economic lives as given below: -

<u>Tangible Assets</u>	<u>Years</u>
Office Equipments	3-5
Assets costing upto ₹ 5,000/- are depreciated fully in the month of purchase.	

e) 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 encashment (compensated absence) to employees is based on actuarial valuation done by Projected accrued benefit method at the period end.

f) Taxation:

i) **Current Tax:** Provision for current income tax is made on the taxable income using the applicable

tax rates and tax laws.

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 Company will pay normal Income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized 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 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.

g) Use of Estimates:

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 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.

h) Earnings Per Share (EPS):

The earnings considered in ascertaining the Company's Earnings Per Share (EPS) comprises the Net Profit/(Loss) after tax, 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.

i) 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 "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The

Notes forming part of the Financial Statements

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.

j) **Provisions & 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.

3. SHARE CAPITAL

a) **Authorised, Issued, Subscribed and Paid-up Share Capital:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Numbers	₹ in '000	Numbers	₹ in '000
Authorised				
Equity Shares of ₹ 10 each	50,000	500	50,000	500
	50,000	500	50,000	500
Issued, Subscribed and Paid-Up				
Equity Share Capital				
Equity Shares of ₹ 10 each fully paid up	50,000	500	50,000	500
	50,000	500	50,000	500

(i) All the shares are held by the holding company - Idea Cellular Limited along with nominee share holders.

b) **Rights attached to Equity Shareholders:**

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.

4. RESERVES AND SURPLUS

Particulars	₹ in '000	
	As at March 31, 2015	As at March 31, 2014
Surplus/(Deficit) in Statement of Profit and Loss		
Balance at the beginning of the year	(7,085)	(8,033)
Add: Profit during the year	4,514	948
Balance at the end of the year	(2,571)	(7,085)
Total	(2,571)	(7,085)

Notes forming part of the Financial Statements

5. FIXED ASSETS - TANGIBLE ASSETS

A. Current Year

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2014	Additions during the year	Sale/ Adjustments during the year	As at March 31, 2015	As at April 1, 2014	Additions during the year	Sale/ Adjustments during the year	As at March 31, 2015	As at March 31, 2014
Office Equipment	3,906	-	-	3,906	3,906	-	-	3,906	-
TOTAL	3,906	-	-	3,906	3,906	-	-	3,906	-

₹ in '000

B. Previous Year

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2013	Additions during the year	Sale/ Adjustments during the year	As at March 31, 2014	As at April 1, 2013	Additions during the year	Sale/ Adjustments during the year	As at March 31, 2014	As at March 31, 2014
Office Equipment	3,906	-	-	3,906	3,860	46	-	3,906	-
Total	3,906	-	-	3,906	3,860	46	-	3,906	-

₹ in '000

IDEA CELLULAR SERVICES LIMITED

Notes forming part of the Financial Statements

6. DEFERRED TAX ASSETS

₹ in '000

Particulars	As at March 31, 2015	As at March 31, 2014
Major components of Deferred Tax are:		
Depreciation of Fixed Assets	190	210
Expenses allowable on payment basis	8,702	6,539
Total	8,892	6,749

7. LONG-TERM LOANS AND ADVANCES

(Unsecured, considered good unless otherwise stated)

₹ in '000

Particulars	As at March 31, 2015	As at March 31, 2014
Deposits and Balances with Government Authorities	326	307
Advance Income Tax (Net of Provision of ₹ 4,030 Thousands (Previous year ₹ 1,039 Thousands))	17,848	14,688
Total	18,174	14,995

8. TRADE RECEIVABLES

₹ in '000

Particulars	As at March 31, 2015	As at March 31, 2014
Outstanding for a period not exceeding six months from due date (Refer Note 17)	71,571	45,582
Total	71,571	45,582

9. CASH AND CASH EQUIVALENTS

₹ in '000

Particulars	As at March 31, 2015	As at March 31, 2014
Cash on Hand	8	5
Balances with Banks in Current Accounts	744	1,369
Total	752	1,374

10. SHORT-TERM LOANS AND ADVANCES

(Unsecured, considered good unless otherwise stated)

₹ in '000

Particulars	As at March 31, 2015	As at March 31, 2014
Advance Income Tax	390	7,828
Cenvat Credit	995	970
Expense Paid in Advance (includes amount referred in Note 15)	4,378	5,172
Other Loans and Advances	3,594	2,611
Total	9,357	16,581

IDEA CELLULAR SERVICES LIMITED

Notes forming part of the Financial Statements

11. PERSONNEL EXPENDITURE

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and Allowances etc.	1,029,742	880,549
Contribution to Provident and Other Funds	51,500	51,255
Staff Welfare	41,688	19,034
Recruitment and Training	139	22
Total	1,123,069	950,860

12. ADMINISTRATION & OTHER EXPENSES

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Other Insurance	5	5
Rates and Taxes	83	65
Printing and Stationery	441	207
Communication Expenses	28,582	16,225
Travelling and Conveyance	176,455	151,989
Bank Charges	11	7
Directors Sitting Fees	20	-
Legal and Professional Charges	2,469	1,886
Audit Fees (Refer Note 13)	125	125
Miscellaneous Expenses	66	43
Total	208,257	170,552

13. Auditors' Remuneration (excluding Service Tax):

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Statutory Audit Fees	125	125

14. As at March 31, 2015 no amounts are payable to Micro, Small and Medium Enterprises (SMEs) within the meaning of the Micro, Small and Medium Enterprises Development Act 2006.

15. Details of Employee benefits as required by the Accounting Standard-15 (Revised) Employee benefits are as under:

- 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.

Notes forming part of the Financial Statements

₹ in '000

Sr.	Particulars	As at March 31, 2015	As at March 31, 2014
1	Assumptions		
	Discount Rate	8.00%	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 the Year	19,532	14,858
	Interest Cost	1,701	1,155
	Current Service Cost	8,676	7,314
	Benefits Paid	(1,270)	(1,177)
	Actuarial (Gain)/Loss	(2,497)	(2,618)
	Present Value of Obligations at end of the year	26,142	19,532
3	Table showing changes in the Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of the year	21,849	13,531
	Expected Return on Plan Assets	2,067	1,544
	Contributions	3,503	8,047
	Benefits Paid	(1,270)	(1,177)
	Actuarial Gain/(Loss) on Plan Assets	107	(96)
	Fair Value of Plan Assets at end of the year	26,256	21,849
	Actual Return on Plan Asset	2,173	1,245
4	Actuarial (Gain)/Loss recognised		
	Actuarial (Gain)/Loss for the year-Obligation	(2,497)	(2,618)
	Actuarial (Gain)/Loss for the year-Plan Assets	(107)	96
	Actuarial (Gain)/Loss for the year	(2,604)	(2,522)
	Actuarial (Gain)/Loss recognised in the year	(2,604)	(2,522)
5	Amounts to be recognised in Balance Sheet		
	Present Value of Obligations as at end of the year	26,142	19,532
	Fair Value on Plan Assets as at the end of the year	26,256	21,849
	Funded Status	114	2,317
	Net Asset/(Liability) recognised in Balance Sheet	114	2,317
6	Expenses recognised in Statement of Profit & Loss		
	Current Service Cost	8,676	7,314
	Interest Cost	1,701	1,155
	Expected Return on Plan Assets	(2,067)	(1,544)
	Net Actuarial (Gain)/Loss recognised in the year	(2,604)	(2,327)
	Expenses recognised in the Statement of Profit & Loss	5,706	4,598
7	Investment Details of Plan Assets (% allocation)		
	Funds managed by Insurer *	100.00%	100.00%

Notes forming part of the Financial Statements

₹ in '000

Sr. No.	Particulars	Year Ended				
		March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
8	Experience Adjustments					
	Present value of obligation	26,142	19,532	14,858	6,270	4,470
	Plan Assets	26,256	21,849	13,531	6,101	5,149
	Surplus/(Deficit)	114	2,317	(1,327)	(169)	679
	Experience (Gain) or Loss on Plan Liabilities	(4,184)	1,654	1,965	(1,556)	(1,178)
	Experience (Gain) or Loss on Plan Assets	(107)	(96)	23	0	0

* The funds are managed by LIC and LIC does not provide breakup of plan assets by investment type.

The estimates 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.

b) **Defined Contribution Plan:** During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Employer's Contribution to Provident and Pension Fund	28,541	26,040

16. Segment Reporting:

As the Company operates in only one business segment, there is no separate reportable segment as per Accounting Standard - 17 on "Segment Reporting".

17. Related Party Transactions:

As per Accounting Standard-18 on "Related Party Disclosure", the related parties of the Company are disclosed below:

A. List of Related Parties:

Promoters of Holding Company

Hindalco Industries Limited

Grasim Industries Limited

Aditya Birla Nuvo Limited

Birla TMT Holdings Pvt. Limited

Holding Company

Idea Cellular Limited (ICL)

Fellow Subsidiaries

Idea Telesystems Limited (ITL)

Aditya Birla Telecom Limited (ABTL)

Idea Cellular Infrastructure Services Limited (ICISL)

Idea Mobile Commerce Services Limited (IMCSL)

Joint Venture of Fellow Subsidiary

Indus Towers Limited (Indus)

IDEA CELLULAR SERVICES LIMITED

Notes forming part of the Financial Statements

B. Transactions with Related Parties for the year ended March 31, 2015:

	₹ in '000	
Particulars	ICL	ITL
Sale of Services	1,329,848 (1,115,527)	5,825 (4,959)
Purchases of Services	21,443 (16,785)	- (-)
Expenses incurred on Company's behalf by	3,152 (2,889)	- (-)
Expenses incurred by Company on behalf of	- (1,165)	- (-)

(Figures in brackets represent corresponding figures for the year ended March 31, 2014)

C. Balances with Related Parties as on March 31, 2015:

	₹ in '000	
Particulars	ICL	ITL
Trade Receivables	71,571 (45,582)	- (-)

(Figures in brackets represent corresponding figures as at March 31, 2014)

18. Earnings Per Share is calculated as under:

Particulars	As at March 31, 2015	As at March 31, 2014
Nominal value of Shares (₹)	10/-	10/-
Profit/(Loss) After Tax attributable to Equity Share Holders (₹ in '000)	4,514	948
Weighted Average number of Equity Shares	50,000	50,000
Basic & Diluted Earnings per Share (₹)	90.28	18.96

19. The company has started making yearly profits since last couple of years. However, its net worth as at the year-end is negative on account of operational losses during the previous years. Idea Cellular Limited (Holding Company) is committed to take all steps necessary to ensure that the Company has adequate funding available to run its operations smoothly till Company becomes self-reliant.

20. Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year's grouping.

For and on behalf of the Board

Akshaya Moondra
Director

Tarjani Vakil
Director

Place : Mumbai
Date : April 24, 2015

IDEA CELLULAR SERVICES LIMITED

Cash Flow Statement for the year ended March 31, 2015

₹ in '000

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	4,514	948
Adjustments For		
Depreciation	-	46
Interest Income	(970)	-
Provision for Gratuity and Leave Encashment	8,326	2,856
Provision for Deferred Tax	(2,144)	(41)
Provision for Current Tax	4,030	1,039
Operating Profit before Working Capital Changes	13,756	4,848
Adjustments for Changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(25,989)	(3,681)
(Increase)/Decrease in Long Term & Short Term Loans and Advances	(2,435)	(4,288)
Increase/(Decrease) in Trade Payables & Other Current Liabilities	12,828	12,651
Cash generated from Operations	(1,840)	9,530
Tax (Paid)/Refund received including TDS and Interest on Refund (Net)	1,218	(8,455)
Net Cash from/(used in) Operating Activities	(622)	1,075
Net Increase/(Decrease) in Cash and Cash Equivalents	(622)	1,075
Cash and Cash Equivalents at the beginning	1,374	299
Cash and Cash Equivalents at the end	752	1,374

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	8	5
Balances with Banks in Current Accounts	744	1,369
	<u>752</u>	<u>1,374</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

Akshaya Moondra
Director

Tarjani Vakil
Director

Place : Mumbai
Date : April 24, 2015

