IDEA CELLULAR LIMITED

(An Aditya Birla Group Company)

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

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Members of **Idea Cellular Limited** will be held on Monday, the 27th day of September, 2010 at 12:00 noon at Cambay Spa and Resort, Plot No. X-22/23 GIDC Electronic Estate, Sector 25, Gandhinagar – 382 044, Gujarat, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2010 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Rajashree Birla, who retires by rotation, and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Ms. Tarjani Vakil, who retires by rotation, and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Arun Thiagarajan, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Biswajit A. Subramanian, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

SPECIAL BUSINESS:

7. **Appointment of Mr. Juan Villalonga Navarro as a Director**

   To consider and if thought fit, to pass with or without modification(s), the following resolution, as an Ordinary Resolution:

   "RESOLVED THAT Mr. Juan Villalonga Navarro who was appointed as an Additional Director by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 ('the Act') and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Act from a member signifying his intention to propose Mr. Juan Villalonga Navarro as a candidate for the office of the Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board
For **Idea Cellular Limited**

Pankaj Kapdeo
Company Secretary

Place: Mumbai
Date: August 19, 2010

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 COMMENCEMENT OF THE MEETING.**
2. The Register of Members and Share Transfer Books will remain closed from Monday, the 20th day of September, 2010 to Monday, the 27th day of September, 2010 (both days inclusive) for the purpose of the Annual General Meeting.
3. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business set out at Item No. 7 of the Notice is annexed hereto.
4. Corporate Members intending to depute their authorised representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorising their representatives to attend and vote on their behalf at the Meeting.
5. Profile of Directors seeking Appointment/ Re-appointment at the 15th Annual General Meeting, as required in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchange(s), is annexed to this Notice.
6. The Annual Report of the Company for the year 2009-10, is also uploaded on the Company's website (www.ideacellular.com).
7. Members are requested to notify any change in address, signature or bank particulars for their shares held in electronic mode to their respective Depository Participant and for their physical holdings to the Registrar and Share Transfer Agents of the Company i.e. M/s. Bigshare Services Private Limited.
8. As per Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfer of shares in physical form. Therefore, the transferee(s) are required to furnish a copy of their PAN to the Registrar and Share Transfer Agents of the Company.
9. Statutory Registers and documents referred to in the Notice and Explanatory Statement including certificate from the Statutory Auditors of the Company under Clause 14 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11:00 a.m. to 1:00 p.m. upto the date of the Annual General Meeting and will also be available for inspection at the meeting.
10. Members/ Proxies are requested to bring duly filled attendance slip sent herewith alongwith the copy of the Annual Report at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7 - Appointment of Mr. Juan Villalonga Navarro as a Director

Mr. Juan Villalonga Navarro was appointed as an Additional Director on the Board of the Company in place of Dr. Shridhir Sariputta Hansa Wijayasuriya with effect from January 22, 2010, consequent to the change in nomination by Axiata Group Berhad. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Juan Villalonga Navarro holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member alongwith requisite deposit of Rs.500/-, proposing the candidature of Mr. Juan Villalonga Navarro for the office of Director of the Company.

The Board of Directors accordingly recommend the resolution as set out in Item No. 7 of the Notice for your approval.

None of the Directors of the Company other than Mr. Juan Villalonga Navarro is interested or concerned in the resolution.

By Order of the Board
For **Idea Cellular Limited**

Pankaj Kapdeo
Company Secretary

Place: Mumbai
Date: August 19, 2010

Profile of Directors seeking Appointment/Re-appointment at the 15th Annual General Meeting

Particulars	Mrs. Rajashree Birla	Ms. Tarjani Vakil	Mr. Arun Thiagarajan	Mr. Biswajit A. Subramanian	Mr. Juan Villalonga Navarro
Date of Birth	September 15, 1945	October 30, 1936	September 7, 1944	September 19, 1965	April 8, 1953
Date of Appointment	June 20, 2006	September 2, 2006	September 2, 2006	December 1, 2006	January 22, 2010
Qualifications	Bachelor of Arts	M.A.	1. Masters in Engineering and Business Administration from Sweden 2. Advanced Management program from Harvard Business School	1. M.B.A. From Wharton School 2. M.Tech in Electrical Engineering 3. B.Tech in Electrical Engineering from IIT	1. Degree in Law from Deusto University, Spain 2. M.B.A. from IESE, Barcelona
Nature of expertise	Industrialist	Wide experience in Finance & Banking	Vast experience in Engineering and Management	Vast experience in Corporate Finance and Mergers & Acquisitions.	Vast experience in Law, Telecommunications and General Management.
Directorships held in other Public Companies (excluding foreign companies)	1. Grasim Industries Ltd. 2. Aditya Birla Nuvo Ltd. 3. Hindalco Industries Ltd. 4. Essel Mining & Industries Ltd. 5. UltraTech Cement Ltd. 6. Aditya Birla Health Services Ltd.	1. Asian Paints Ltd. 2. Alkyl Amines Chemicals Ltd. 3. Mahindra Intertrade Ltd. 4. Oracle Financial Services Software Ltd. 5. Aditya Birla Nuvo Ltd. 6. Birla Sun Life Insurance Co. Ltd.	1 ING Vysya Bank Ltd. 2. Alstom Projects India Ltd. 3. ADC India Communications Ltd. 4. Aditya Birla Mincas IT Services Ltd. 5. GMR Infrastructure Ltd. 6. GMR Energy Ltd. 7. Aditya Birla Minacs Worldwide Ltd. 8. TTK Prestige Ltd. 9. Gokaldas Exports Ltd.	1. Aditya Birla Telecom Ltd.	None
Memberships / Chairmanships of committees of other Public companies (includes only Audit Committee and Shareholders' / Investors' Grievance Committee)	1. Aditya Birla Health Services Ltd (Audit Committee – Member)	1. Oracle Financial Services Software Ltd (Audit Committee – Member) (Shareholders'/ Investors' Grievance Committee – Chairperson) 2. Birla Sun Life Insurance Company Ltd. (Audit Committee – Member) 3. Asian Paints Ltd (Audit Committee – Chairperson) 4. Aditya Birla Nuvo Ltd (Audit Committee – Chairperson) 5. Mahindra Intertrade Ltd. (Audit Committee – Chairperson)	1. ING Vysya Bank Ltd. (Audit Committee – Chairman) (Investors' Committee – Member) 2. GMR Infrastructure Ltd. (Audit Committee – Member) 3. Alstom Projects Ltd. (Audit Committee – Member) 4. ADC India Communications Ltd. (Audit Committee – Member) 5. Aditya Birla Mincas IT Services Ltd. (Audit Committee – Member) 6. Aditya Birla Minacs Worldwide Ltd. (Audit Committee – Member) 7. Gokaldas Exports Ltd. (Audit Committee – Member)	None	None
Number of shares held in the Company	Nil	147	7,700	Nil	Nil

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

ATTENDANCE SLIP

Regd. Folio No./DP ID-Client ID ....

No. of shares held ....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the Fifteenth Annual General Meeting of the Company at Cambay Spa and Resort, Plot No. X-22/23 GIDC Electronic Estate, Sector 25, Gandhinagar – 382 044, Gujarat on Monday, the 27th day of September, 2010 at 12:00 noon.

....

Member's/Proxy's name in BLOCK letters Member's/Proxy's Signature

NOTE: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report.

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FORM OF PROXY

Regd. Folio No./DP ID-Client ID ....

No. of shares held ....

I/We .... of .... in the district of .... being member/members of Idea Cellular Limited, hereby appoint Mr./Ms. .... of .... in the district of .... or failing him/her, Mr./Ms. .... of .... in the district of .... as my/our proxy to attend and vote for me/us on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held on Monday, the 27th day of September, 2010 at 12:00 noon and at any adjournment thereof.

Affix
Revenue
Stamp

Signed this .... day of .... 2010 Signature ....

NOTE: This form of Proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.

ADITYA BIRLA

IDEA Cellular

"Our goal is to become a US $65 billion Group by 2015 from US $30 billion today. We expect your company to contribute significantly to this growth and earnings."

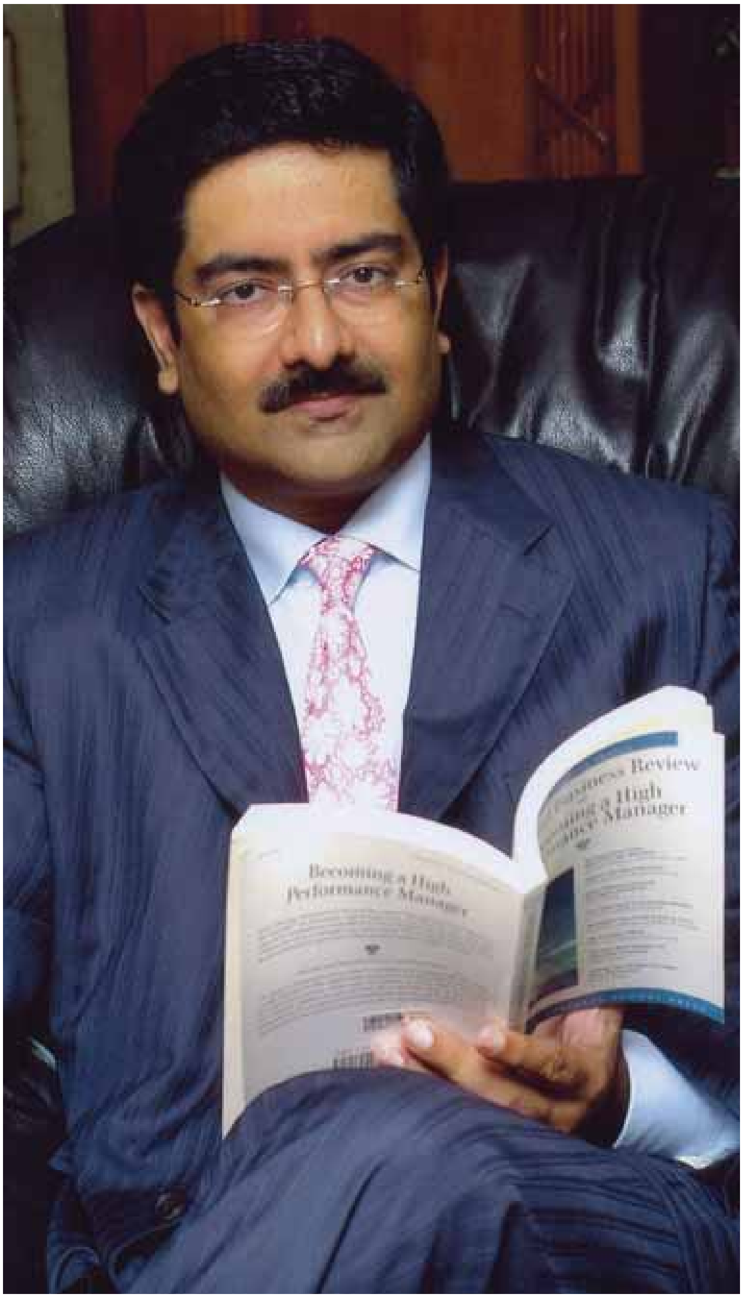
KUMAR MANGALAM BIRLA

IDEA CELLULAR LIMITED

ANNUAL REPORT | 2009–2010

Mr. G. D. Birla and Mr. Aditya Birla, our founding fathers.
We live by their values.
Integrity, Commitment, Passion, Seamlessness and Speed

The Chairman's Letter to Shareholders



Dear Shareholder,

The Indian mobility sector faced several challenges during the year. The number of operators jumped as licenses obtained during the telecom bubble days of 2007, converted into live operations.

To grab share, new launches offered subscriptions at throw-away prices loaded with free talk time. On the one hand, this led to the use-and-throw phenomenon of new SIM cards. On the other hand, the paid revenue of yesteryear converted to unpaid revenue. Consequently, the national mobility sector revenue growth for the calendar year 2009 contracted to ~12% (after normalization for IUC), compared to the ~22% growth in the earlier year. Conventional matrices like subscribers, ARPU etc. became meaningless.

Notwithstanding these roadblocks, your Company clocked a growth of 23.1% on a year-on-year basis. This makes your Company the fastest growing major telecom operator in India for 3 consecutive years. Its revenue market share has risen from 11.4% to 12.7%. In your Company's 11 established service areas, the revenue market share rose from 17.5% to 18.8%. Your Company's earnings stand at Rs.1,24,990 million. Likewise, your Company's EBITDA at Rs.34,591 million, reflects a 22% growth and PAT at Rs.9,539 million is up by 8.2% compared to the previous year. It has an approximate customer base of 70 million. More tellingly, in a market characterized by over capacity and hyper competition, the fact that your Company has stepped up its performance every which way, is indeed laudable.

In the recently concluded 3G auction, your Company won 3G spectrum in 11 service areas. These cover 81% of its existing revenue, the highest among the major telecom operators.

Your Company's service area specific strategy, it's improving capacity utilization, its sophisticated management processes supported by a power brand, underscore its ability to ride out the rough times.

To our teams

I very warmly want to thank all of our colleagues in Idea Cellular for their immense contribution to your Company's praiseworthy performance. I look forward to their continued commitment to your Company's reaching greater heights and enhancing shareholders value.

The Aditya Birla Group in perspective

Today, we are a multicultural, multinational, multidimensional Group anchored by over 1,30,000 employees, belonging to 30 nationalities, across 6 continents. Our Group turnover is a little over US $ 29 billion. Our leadership across several levels is fleet of foot, flexible enough to adapt to the ever changing environment, and ambitious enough to dream audaciously.

Our goal is to become a US $ 65 billion Group by 2015 from US $ 30 billion today. We expect your Company to contribute significantly to this growth and earnings.

To attain this bold and ambitious vision, we have launched a series of people centered strategies. I believe, the best of goals can only fruition if we have the best of people and harness people potential, irrespective of positions.

As the Group continues to expand globally, exploring and seizing opportunities, we have accelerated the pace of offerings to our intellectual capital. Our endeavour is to provide them with unparalleled opportunities, dynamic challenges, a rewarding professional career and a sense of fulfillment on the personal front. This is a priority area. To take this forward, we launched our employee value proposition. Simply put, it is "**a world of opportunities**". It entails the reinforcement of a four pronged approach.

Firstly, offering exciting career prospects that give employees a leeway to chart their own growth trajectory.

Secondly, intensifying learning processes that hone existing skills. Transcending it, we have taken the learning to a higher stage where talented employees are able to convert knowledge into action through exposure to the best global minds. For example, this year at **Gyanodaya**, our benchmarkable Institute of Management Learning, more than 500 colleagues at senior levels participated in specially designed, intellectually stimulating, innovative focused programmes. These related to globalization, leadership, innovation and getting far beyond the mind of the customer. These were conducted in collaboration with the best in class faculty from International Business Schools and consulting organizations. Among these feature, The Ross School of Business, The Duke University, UCLA (all from USA), ISB (Hyderabad), The Hay Group and Mercer Consulting.

It might interest you to learn that this year as well over a 1,000 executives enlisted for different learning sessions. Gyanodaya's virtual campuses reached out to more than 13,500 learners through its e-learning courses and webinars.

Thirdly, as part of our concerted efforts towards a sharp organizational focus and alignment in the talent management processes, across the businesses, we put in place critical differentiators. Besides linking rewards to performance, special performance incentives, international assignments, and Group-wide recognition programmes have been set in motion.

Fourthly, promoting enriched living by encouraging talent to look beyond just professional enhancement and to work towards building a wholesome, balanced life.

I believe, our Employee Value Proposition also helps to create an enabling environment that sets people up for success, enthuses in them the drive to excel, achieve and push back the frontiers of excellence.

Finally, I am delighted to share with you that in a comprehensive global study of organizational leadership across the world, conducted by The Hewitt Associates, in partnership with The RBL Group and Fortune Magazine (2009) on "Top Companies for Leaders to engage in", our Group, was adjudged "The 6th great place for leaders in the Asia Pacific Region". That of 177 companies who participated in this study, we should have been chosen is indeed a great achievement. Their critical assessment criteria included strength and depth of leadership practices, culture, examples of developing world class leaders, business performance and company reputation. On all counts, we are on course.

Yours sincerely,

Kumar Mangalam Birla

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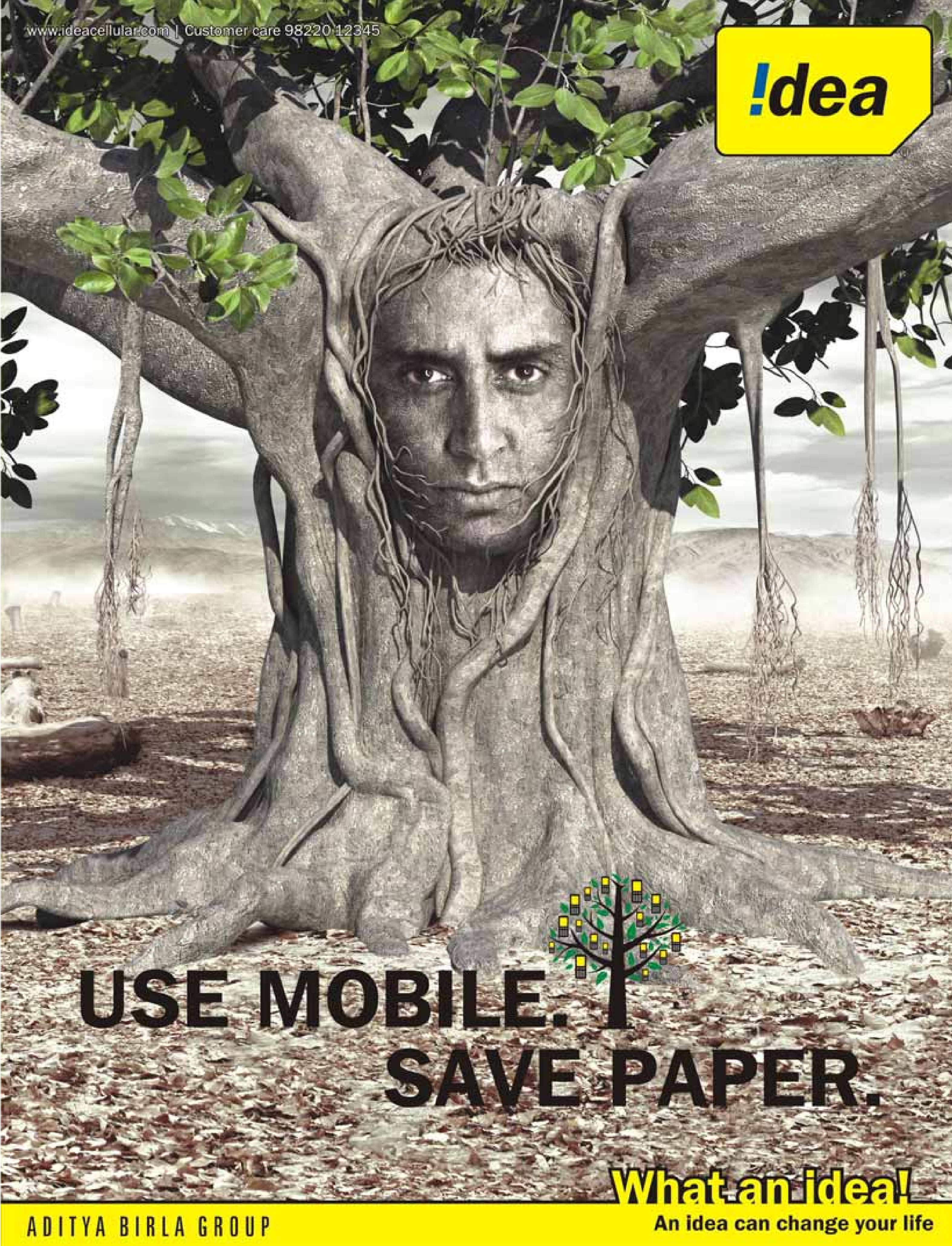
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An idea can change your life
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