



13 February 2021

National Stock Exchange of India Limited
“Exchange Plaza”,
Bandra - Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sirs,

Sub: Financial Results for the Third Quarter Ended 31st December 2020 - Regulation 33 of SEBI (LODR) Regulations, 2015

Ref: “Vodafone Idea Limited” (IDEA / 532822)

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Financial Results (Standalone and Consolidated) of the Company for the third quarter ended 31st December 2020, together with the Report of the Statutory Auditors’ thereon.

The aforesaid results have been approved by the Board of Directors of the Company at their meeting held today, which commenced at 1:00 P.M. and concluded at 3:55 P.M.

A copy of Press Release issued in this regard is also attached herewith.

The above is for your information and dissemination to the public at large.

Thanking you,

Yours truly,
For **Vodafone Idea Limited**

Pankaj Kapdeo
Company Secretary

Encl: As above

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Vodafone Idea Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Vodafone Idea Limited (the "Holding Company" or "the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint ventures for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as referred to in the Annexure.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

6. Material Uncertainty on Going Concern

We draw attention to in Note 3 to the financial results, which states that the Company has breached its debt covenants as at March 31, 2020 for which it is in discussions with various lenders. The Company's financial performance has impacted its ability to generate the cash flow that it needs to settle/refinance its liabilities and guarantees as they fall due, which along with its financial condition is resulting in material uncertainty that casts significant doubt on the Company's ability to make the payments mentioned therein and continue as a going concern.

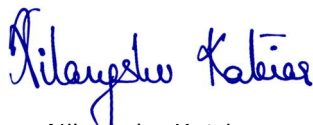
The said assumption of going concern is essentially dependent on successful negotiations with lenders and its ability to generate the cash flow from its operations that it needs to settle/refinance its liabilities and guarantees as they fall due. The Board of Directors of the Company, at its meeting held on September 4, 2020 has approved the fund-raising plan of up to Rs 250,000 million. Our conclusion is not modified in respect of this matter.

7. The accompanying Statement of unaudited consolidated financial results includes the Group's share of net profit after tax and total comprehensive income of Rs 3 million and Rs 16 million for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020, respectively, as considered in the unaudited consolidated financial results in respect of a joint venture, based on its interim financial results which have not been reviewed by any auditor. These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management. Our conclusion, in so far as it relates to the affairs of the joint venture, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. Our conclusion is not modified with respect of this matter.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Nilangshu Katriar

Partner

Membership No.: 58814

UDIN: 21058814AAAAAE8008

Place: Mumbai

Date: February 13, 2021

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Annexure to Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

List of Subsidiaries, Joint Ventures and Associate


Subsidiaries

1. Vodafone Idea Manpower Services Limited (formerly Idea Cellular Services Limited)
2. Vodafone Idea Business Services Limited (formerly Vodafone Business Services Limited)
3. Vodafone Idea Communication Systems Limited (formerly Mobile Commerce Solution Limited)
4. Vodafone M-Pesa Limited
5. Vodafone Idea Shared Services Limited (formerly Vodafone India Ventures Limited)
6. You Broadband India Limited
7. Vodafone Idea Technology Solutions Limited (formerly Vodafone Technology Solutions Limited)
8. Vodafone Idea Telecom Infrastructure Limited (formerly Vodafone Towers Limited)
9. Vodafone Foundation
10. Connect (India) Mobile Technologies Private Limited
11. You System Integration Private Limited

Joint Ventures

1. Indus Towers Limited (ceased to be joint venture effective from November 19, 2020)
2. FireFly Networks Limited

Associate

1.  Aditya Birla Idea Payments Bank Limited



VODAFONE IDEA LIMITED (formerly Idea Cellular Limited)
 Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976
 Unaudited Consolidated Financial Results for the quarter and nine months ended 31-December-2020



(₹ Mn, except per share data)

| Particulars | Quarter ended | | | Nine Months Ended | | Year ended |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
| | 31-Dec-20 Unaudited | 30-Sep-20 Unaudited | 31-Dec-19 Unaudited | 31-Dec-20 Unaudited | 31-Dec-19 Unaudited | 31-Mar-20 Audited |
| INCOME | | | | | | |
| Service Revenue | 108,907 | 107,861 | 110,753 | 323,313 | 331,780 | 449,123 |
| Sale of Trading Goods | 9 | 21 | 9 | 42 | 31 | 44 |
| Other Operating Income | 25 | 30 | 132 | 91 | 222 | 408 |
| REVENUE FROM OPERATIONS | 108,941 | 107,912 | 110,894 | 323,446 | 332,033 | 449,575 |
| Other Income | 394 | 393 | 2,911 | 1,340 | 8,731 | 10,393 |
| TOTAL INCOME | 109,335 | 108,305 | 113,805 | 324,786 | 340,764 | 459,968 |
| EXPENSES | | | | | | |
| Cost of Trading Goods | 21 | 27 | 27 | 59 | 87 | 129 |
| Employee Benefit Expenses | 5,070 | 5,104 | 6,111 | 15,892 | 18,433 | 21,643 |
| Network Expenses and IT Outsourcing Costs | 26,143 | 24,319 | 27,254 | 74,572 | 84,044 | 109,916 |
| License Fees and Spectrum Usage Charges | 10,923 | 9,948 | 12,037 | 30,888 | 35,088 | 48,482 |
| Roaming & Access Charges | 16,059 | 15,347 | 16,402 | 46,432 | 43,876 | 59,976 |
| Marketing, Content, Customer Acquisition & Service Costs | 5,041 | 7,505 | 10,261 | 19,021 | 31,018 | 40,983 |
| Finance Costs | 47,874 | 47,002 | 37,222 | 132,915 | 112,150 | 153,920 |
| Depreciation & Amortisation Expenses | 58,241 | 60,286 | 58,774 | 178,284 | 183,176 | 243,564 |
| Other Expenses | 2,822 | 4,138 | 4,597 | 11,212 | 14,163 | 19,321 |
| TOTAL EXPENSES | 172,194 | 173,676 | 172,685 | 509,275 | 522,035 | 697,934 |
| PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS, TAX AND SHARE IN PROFIT / (LOSS) OF JOINT VENTURES AND ASSOCIATE | (62,859) | (65,371) | (58,880) | (184,489) | (181,271) | (237,966) |
| Add: Share in Profit/(Loss) of Joint Ventures and Associate (net) | 570 | 857 | 999 | 2,316 | 2,875 | 3,553 |
| PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX | (62,289) | (64,514) | (57,881) | (182,173) | (178,396) | (234,413) |
| Exceptional Items (Net) (Refer Note 6) | 16,965 | (7,671) | (6,333) | (189,938) | (322,148) | (383,557) |
| PROFIT / (LOSS) BEFORE TAX | (45,324) | (72,185) | (64,214) | (372,111) | (500,544) | (617,970) |
| Tax expense: | | | | | | |
| - Current tax | 2 | - | (2) | 3 | 8 | 4 |
| - Deferred tax | (5) | (3) | 176 | (11) | 121,794 | 120,807 |
| PROFIT / (LOSS) AFTER TAX | (45,321) | (72,182) | (64,388) | (372,103) | (622,346) | (738,781) |
| Items not to be reclassified to profit or loss in subsequent periods: | | | | | | |
| - Re-measurement gains/ (losses) of defined benefit plans | (86) | 157 | (149) | - | (452) | (281) |
| - Income tax effect | (1) | (8) | 6 | (7) | 208 | 193 |
| - Group's share in other comprehensive income of joint ventures and associate | - | (1) | (1) | (2) | (4) | (2) |
| TOTAL COMPREHENSIVE INCOME/(LOSS) | (45,408) | (72,034) | (64,532) | (372,112) | (622,594) | (738,871) |
| Paid up Equity Share Capital (Face value ₹ 10 per share) | 287,354 | 287,354 | 287,354 | 287,354 | 287,354 | 287,354 |
| Other Equity | | | | | | (227,555) |
| Earnings Per Share for the period (₹) | | | | | | |
| - Basic | (1.58) | (2.51) | (2.24) | (12.95) | (23.42) | (27.26) |
| - Diluted | (1.58) | (2.51) | (2.24) | (12.95) | (23.42) | (27.26) |



Notes

- The above unaudited consolidated financial results, as reviewed by the Audit Committee of the Board, were approved and taken on record by the Board of Directors at their meeting held on 13th February, 2021.
- The Hon'ble Supreme Court on 24th October, 2019 delivered its judgment on the cross appeals against the Hon'ble TDSAT judgment dated 23rd April, 2015, relating to the definition of Adjusted Gross Revenue (AGR Judgment). The order upheld the principal demand, levy of interest, penalty and interest on penalty. On 1st September, 2020, vide its judgment, the Hon'ble Supreme Court has inter-alia directed that for the demand raised by the Department of Telecom in respect of the AGR dues based on the judgment of this Court, there shall not be any dispute raised by any of the Telecom Operators and that there shall not be any reassessment; the Telecom Operators shall at the first instance, make the payment of 10% of the total dues as demanded by DoT by 31st March, 2021 and thereafter, Telecom Operators to make payment in yearly instalments commencing from 1st April, 2021 to 31st March, 2031 payable by 31st March of every succeeding financial year. As the cumulative amount paid by the Group till date exceeds 10% of the total liability, the Group believes, the next instalment would be payable only by 31st March, 2022.

Subsequent to the judgment, the Group had written to the DoT requesting them for corrections of certain computational errors, admissible pass-through and payments made in the past not considered while computing DoT demands. The Group is awaiting response from the DoT. Further, on 7th January, 2021, the Company has approached Hon'ble Supreme Court requesting them to allow DoT to correct manifest/clerical/arithmetical errors in the computation of AGR demands and carry out the corrections in accordance with law within a reasonable period of time. The matter is yet to be heard. Accordingly, during the quarter, the Group has continued to recognize its AGR obligations based on the judgment of the Hon'ble Supreme Court, License Agreement, etc.

- As at 31st March, 2020, the Company had classified ₹ 142,757 Mn from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses under the financial agreements for specified financial ratios as at 31st March, 2020. The Company had exchanged correspondences/been in discussions with these lenders for the next steps/waivers. The amount due beyond a period of twelve months for such loans (net of waiver received) which is reclassified to current maturities is ₹ 86,919 Mn as on 31st December, 2020. Further, as a result of the rating downgrade, certain lenders had asked for increase of interest rates and additional margin money / security against existing facilities, for which the Company is in discussion with such lenders. Guarantees amounting to ₹ 113,716 Mn are due to expire during the next twelve months and ₹ 8,727 Mn of incremental guarantees are to be provided.

The Company's ability to continue as a going concern is essentially dependent on successful negotiations with lenders and its ability to generate the cash flow from operations that it needs to settle / refinance its liabilities and guarantees as they fall due. The Board of Directors of the Company, at its meeting held on 4th September, 2020 had approved the fund-raising plan of up to ₹ 250,000 Mn. Pending the outcome of the above matters, these consolidated financial results have been prepared on a going concern basis.

- The Company incurs certain costs to obtain or fulfil contracts with customers. During the current quarter, the Company, based on its updated estimate of the average customer life, has deferred subscriber acquisition cost of ₹ 3,337 Mn in accordance with its policy. Such cost will be amortized over the average expected customer relationship period.
- The Group operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segments.
- Exceptional Items :-

| Particulars | ₹ Mn | | | | | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
| | Quarter ended | | | Nine Months Ended | | Year ended |
| | 31-Dec-20 Unaudited | 30-Sep-20 Unaudited | 31-Dec-19 Unaudited | 31-Dec-20 Unaudited | 31-Dec-19 Unaudited | 31-Mar-20 Audited |
| Gain on sale of stake in Indus (Joint Venture) (Refer Note 8) | 21,189 | - | - | 21,189 | - | - |
| Integration and merger related costs | (1,844) | (3,384) | (1,821) | (8,974) | (6,829) | (10,012) |
| Provision for additional depreciation / impairment of assets | (1,177) | (2,977) | (3,837) | (3,777) | (55,773) | (57,571) |
| Provision for impairment towards investment in associate | - | - | - | - | (2,092) | (1,596) |
| License fees and SUC on AGR Matter | - | - | (528) | (194,405) | (257,307) | (275,143) |
| One Time Spectrum Charges (including interest) | (1,203) | (1,287) | - | (3,720) | - | (38,871) |
| Others | - | (23) | (147) | (251) | (147) | (364) |
| Total | 16,965 | (7,671) | (6,333) | (189,938) | (322,148) | (383,557) |



7. Financial results of Vodafone Idea Limited (Standalone) :-

₹ Mn

| Particulars | Quarter ended | | | Nine Months Ended | | Year ended |
|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
| | 31-Dec-20 Unaudited | 30-Sep-20 Unaudited | 31-Dec-19 Unaudited | 31-Dec-20 Unaudited | 31-Dec-19 Unaudited | 31-Mar-20 Audited |
| Revenue from Operations | 108,244 | 107,235 | 110,298 | 321,418 | 330,431 | 447,150 |
| Profit / (Loss) before Tax | (67,177) | (72,156) | (64,174) | (392,672) | (503,379) | (622,867) |
| Net Profit / (Loss) after Tax | (67,177) | (72,156) | (64,175) | (392,672) | (611,827) | (731,315) |

8. During the quarter, the pledge on equity shares of Indus Towers Limited (Indus) held by the Company were released as the Company has provided alternate security in lieu of the same. Thereafter, on 19th November, 2020, the Company has sold its 11.15% stake in Indus for a consideration of ` 37,642 Mn (Post the closing adjustments) to Bharti Infratel thereby recognizing a gain on sale amounting to ` 21,189 Mn (net of cost to sell) as exceptional items. Accordingly, the Group has recognized its share of net profit in Indus amounting to ` 567 Mn till such date (Previous quarter - ` 848 Mn) as per equity method of accounting for its stake in Indus.
9. Previous period figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of

VODAFONE IDEA LIMITED



Ravinder Takkar
Managing Director & Chief Executive Officer



Date: 13th February, 2021
Place: Gurugram



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Vodafone Idea Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Vodafone Idea Limited (the "Company") for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Material Uncertainty Related to Going Concern

We draw attention to in Note 3 to the financial results, which states that the Company has breached its debt covenants as at March 31, 2020 for which it is in discussions with various lenders. The Company's financial performance has impacted its ability to generate the cash flow that it needs to settle/refinance its liabilities and guarantees as they fall due, which along with its financial condition is resulting in material uncertainty that casts significant doubt on the Company's ability to make the payments mentioned therein and continue as a going concern.



S.R. BATLIBOI & ASSOCIATES LLP


Chartered Accountants

The said assumption of going concern is essentially dependent on successful negotiations with lenders and its ability to generate the cash flow from its operations that it needs to settle/refinance its liabilities and guarantees as they fall due. The Board of Directors of the Company, at its meeting held on September 4, 2020 has approved the fund-raising plan of up to Rs 250,000 million. Our conclusion is not modified in respect of this matter.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Nilangshu Katriar
Partner

Membership No.: 58814

UDIN: 21058814AAAAAD1441

Place: Mumbai

Date: February 13, 2021



VODAFONE IDEA LIMITED (formerly Idea Cellular Limited)
 Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976
 Unaudited Financial Results for the quarter and Nine months ended 31-December-2020



(₹ Mn, except per share data)

| Particulars | Quarter ended | | | Nine Months Ended | | Year Ended |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 31-Dec-20 Unaudited | 30-Sep-20 Unaudited | 31-Dec-19 Unaudited | 31-Dec-20 Unaudited | 31-Dec-19 Unaudited | 31-March-20 Audited |
| INCOME | | | | | | |
| Service Revenue | 108,214 | 107,203 | 110,165 | 321,312 | 330,181 | 446,827 |
| Sale of trading goods | - | - | - | - | 3 | 3 |
| Other Operating Income | 30 | 32 | 133 | 106 | 247 | 320 |
| REVENUE FROM OPERATIONS | 108,244 | 107,235 | 110,298 | 321,418 | 330,431 | 447,150 |
| Other Income | 363 | 270 | 3,114 | 2,273 | 9,241 | 10,861 |
| TOTAL INCOME | 108,607 | 107,505 | 113,412 | 323,691 | 339,672 | 458,011 |
| EXPENSES | | | | | | |
| Cost of Trading Goods | - | - | - | - | 3 | 3 |
| Employee Benefit Expenses | 4,580 | 4,682 | 5,671 | 14,565 | 16,933 | 19,726 |
| Network Expenses and IT Outsourcing Costs | 27,175 | 24,396 | 27,422 | 75,829 | 83,819 | 109,849 |
| License Fees and Spectrum Usage Charges | 10,923 | 9,948 | 12,000 | 30,887 | 34,981 | 48,476 |
| Roaming & Access Charges | 16,059 | 15,347 | 16,402 | 46,432 | 43,876 | 59,976 |
| Marketing, Content, Customer Acquisition & Service Costs | 5,190 | 7,635 | 10,462 | 19,442 | 31,446 | 41,593 |
| Finance Costs | 47,826 | 46,971 | 37,171 | 132,806 | 112,040 | 153,772 |
| Depreciation & Amortisation Expenses | 56,389 | 58,440 | 56,926 | 172,767 | 180,409 | 238,888 |
| Other Expenses | 3,247 | 4,559 | 5,223 | 12,325 | 16,059 | 21,353 |
| TOTAL EXPENSES | 171,389 | 171,978 | 171,277 | 505,053 | 519,566 | 693,636 |
| PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX | (62,782) | (64,473) | (57,865) | (181,362) | (179,894) | (235,625) |
| Exceptional Items (net) (Refer Note 6) | (4,395) | (7,683) | (6,309) | (211,310) | (323,485) | (387,242) |
| PROFIT/(LOSS) BEFORE TAX | (67,177) | (72,156) | (64,174) | (392,672) | (503,379) | (622,867) |
| Tax expense: | | | | | | |
| - Current tax | - | - | - | - | - | - |
| - Deferred tax | - | - | 1 | - | 108,448 | 108,448 |
| NET PROFIT/(LOSS) AFTER TAX | (67,177) | (72,156) | (64,175) | (392,672) | (611,827) | (731,315) |
| Items not to be reclassified to profit or loss in subsequent periods: | | | | | | |
| - Equity instrument through other comprehensive gains/(losses) | (432) | (2,543) | (198) | (4,512) | (14,986) | (19,403) |
| - Income tax effect on equity instrument through other comprehensive gains/(losses) | - | - | - | - | 1,229 | 1,229 |
| - Re-measurement gains/ (losses) of defined benefit plans | (95) | 127 | (124) | (31) | (372) | (253) |
| - Income tax effect on re-measurement gains/ (losses) of defined benefit plans | - | - | - | - | 185 | 185 |
| TOTAL COMPREHENSIVE INCOME/(LOSS) | (67,704) | (74,572) | (64,497) | (397,215) | (625,771) | (749,557) |
| Paid up Equity Share Capital (Face value ₹ 10 per share) | 287,354 | 287,354 | 287,354 | 287,354 | 287,354 | 287,354 |
| Other Equity | | | | | | (197,341) |
| Earnings/(Loss) Per Share for the period (₹) | | | | | | |
| - Basic | (2.34) | (2.51) | (2.23) | (13.67) | (23.02) | (26.97) |
| - Diluted | (2.34) | (2.51) | (2.23) | (13.67) | (23.02) | (26.97) |



Notes

- The above unaudited financial results, as reviewed by the Audit Committee of the Board, were approved and taken on record by the Board of Directors at their meeting held on 13th February, 2021.
- The Hon'ble Supreme Court on 24th October, 2019 delivered its judgment on the cross appeals against the Hon'ble TDSAT judgment dated 23rd April, 2015, relating to the definition of Adjusted Gross Revenue (AGR Judgment). The order upheld the principal demand, levy of interest, penalty and interest on penalty. On 1st September, 2020, vide its judgment, the Hon'ble Supreme Court has inter-alia directed that for the demand raised by the Department of Telecom in respect of the AGR dues based on the judgment of this Court, there shall not be any dispute raised by any of the Telecom Operators and that there shall not be any reassessment; the Telecom Operators shall at the first instance, make the payment of 10% of the total dues as demanded by DoT by 31st March, 2021 and thereafter, Telecom Operators to make payment in yearly instalments commencing from 1st April, 2021 to 31st March, 2031 payable by 31st March of every succeeding financial year. As the cumulative amount paid by the Company till date exceeds 10% of the total liability, the Company believes, the next instalment would be payable only by 31st March, 2022.

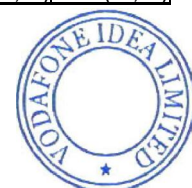
Subsequent to the judgment, the Company had written to the DoT requesting them for corrections of certain computational errors, admissible pass-through and payments made in the past not considered while computing DoT demands. The Company is awaiting response from the DoT. Further, on 7th January, 2021, the Company has approached Hon'ble Supreme Court requesting them to allow DoT to correct manifest/clerical/arithmetic errors in the computation of AGR demands and carry out the corrections in accordance with law within a reasonable period of time. The matter is yet to be heard. Accordingly, during the quarter, the Company has continued to recognize its AGR obligations based on the judgment of the Hon'ble Supreme Court, License Agreement, etc.

- As at 31st March, 2020, the Company had classified ₹ 142,757 Mn from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses under the financial agreements for specified financial ratios as at 31st March, 2020. The Company had exchanged correspondences/been in discussions with these lenders for the next steps/waivers. The amount due beyond a period of twelve months for such loans (net of waiver received) which is reclassified to current maturities is ₹ 86,919 Mn as on 31st December, 2020. Further, as a result of the rating downgrade, certain lenders had asked for increase of interest rates, and additional margin money / security against existing facilities, for which the Company is in discussion with such lenders. Guarantees amounting to ₹ 113,716 Mn are due to expire during the next twelve months and ₹ 8,727 Mn of incremental guarantees are to be provided.

The Company's ability to continue as a going concern is essentially dependent on successful negotiations with lenders and its ability to generate the cash flow from operations that it needs to settle/refinance its liabilities and guarantees as they fall due. The Board of Directors of the Company, at its meeting held on 4th September, 2020 had approved the fund-raising plan of up to ₹ 250,000 Mn. Pending the outcome of the above matters, these financial results have been prepared on a going concern basis.

- The Company incurs certain costs to obtain or fulfil contracts with customers. During the current quarter, the Company, based on its updated estimate of the average customer life, has deferred subscriber acquisition cost of ₹ 3,337 Mn in accordance with its policy. Such cost will be amortized over the average expected customer relationship period.
- The Company operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segments.
- Exceptional Items: -

| Particulars | Quarter ended | | | Nine Months Ended | | Year Ended |
|---|----------------|----------------|----------------|-------------------|------------------|------------------|
| | 31-Dec-20 | 30-Sep-20 | 31-Dec-19 | 31-Dec-20 | 31-Dec-19 | 31-March-20 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Loss on sale of stake in Indus (Joint Venture) (Refer Note 7) | (170) | - | - | (170) | - | - |
| Integration and merger related costs | (1,844) | (3,396) | (1,807) | (8,986) | (6,671) | (9,855) |
| Provision for additional depreciation / impairment of assets | (1,178) | (2,977) | (3,837) | (3,778) | (55,776) | (57,269) |
| Provision for impairment towards its loan receivable/investment in subsidiaries / associate | - | - | - | - | (3,594) | (6,224) |
| License fees and SUC on AGR Matter | - | - | (528) | (194,405) | (257,307) | (274,886) |
| One Time Spectrum Charges (including interest) | (1,203) | (1,287) | - | (3,720) | - | (38,871) |
| Others | - | (23) | (137) | (251) | (137) | (137) |
| Total | (4,395) | (7,683) | (6,309) | (211,310) | (323,485) | (387,242) |



7. During the quarter, the pledge on equity shares of Indus Towers Limited (Indus) held by the Company were released as the Company has provided alternate security in lieu of the same. Thereafter, on 19th November, 2020, the Company has sold its 11.15% stake in Indus for a consideration of ₹ 37,642 Mn (Post the closing adjustments) to Bharti Infratel thereby recognizing a loss on sale amounting to ₹ 170 Mn as exceptional items.
8. Previous period figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of

VODAFONE IDEA LIMITED



Date: 13th February, 2021
Place: Gurugram



A handwritten signature in blue ink, appearing to read "Ravinder Takkar".

Ravinder Takkar
Managing Director & Chief Executive Officer



Media Release – February 13, 2021

Revenue growth and improved subscriber mix with higher 4G additions supported by Vi GIGAnet - India's fastest 4G network

Highlights for the Quarter

- Revenue up 1.0% QoQ to Rs. 108.9 billion, supported by improving subscriber mix with higher 4G additions
- Superior network performance and launch of unified brand “Vi” helped in improving subscriber retention
- Vi GIGAnet remains the fastest 4G network in India, as per Ookla
- Vodafone Idea has the best voice quality in the country for latest 3 months consecutively – November 2020, December 2020 and January 2021, as per TRAI
- Continued network capacity expansion supported by spectrum refarming and network upgrade to 4G
- Cost optimization underway with target to achieve **Rs. 40 billion annualized opex savings** by December 2021; achieved ~50% of targeted opex efficiency on run rate basis
- Board approval received for fund raise of upto Rs. 250 billion through a mix of debt and equity; currently in active discussions with potential investors

Financial Highlights

| Consolidated (Rs Mn) | Q2FY21 | Q3FY21 |
|--|-----------------|-----------------|
| Revenue | 107,912 | 108,941 |
| EBITDA | 41,524 | 42,862 |
| EBITDA% | 38.5% | 39.3% |
| Depreciation & Amortisation | 60,286 | 58,241 |
| EBIT | (18,762) | (15,379) |
| Interest and Financing Cost (Net) | 46,609 | 47,480 |
| Exceptional Items | | |
| - Impairment (non-cash) | (2,937) | (1,142) |
| - Others | (4,734) | 18,107 |
| Share of Profit/(Loss) from Indus | 857 | 570 |
| PBT | (72,185) | (45,324) |
| PAT | (72,182) | (45,321) |
| Other Comprehensive Income (net of Tax) | 148 | (87) |
| Total Comprehensive Income (Consolidated) | (72,034) | (45,408) |

Ravinder Takkar, MD & CEO, Vodafone Idea Limited, said *“In Q3FY21, we improved subscriber retention and operating performance, supported by Vi GIGAnet, which remains the fastest 4G network in India, as per Ookla as well the network with highest rated voice quality as per TRAI - a testimony to our superior network. We remain focused on executing our strategy, and our cost optimization plan remains on track to deliver the targeted savings. The Board has approved funds raising to support our strategic intent and we are in active discussions with potential investors.”*



Operational highlights

We continue to invest in 4G to increase our coverage and capacity. We have also started to actively upgrade our 3G network to 4G. During the quarter, we added ~12,000 4G FDD sites primarily through refarming of 2G/3G spectrum to expand our 4G capacity. We continue to expand our LTE 900 presence in select locations, including through dynamic spectrum refarming, to improve customer experience. Till date, we have deployed ~61,000 TDD sites in addition to the deployment of ~12,900 Massive MIMO sites and ~11,800 small cells. Our overall broadband site count stood at 447,936 as of Q3FY21, lower compared to 457,386 in Q2FY21, as we have aggressively started to refarm our 3G sites to 4G. Our 4G network covers over 1 billion Indians as of December 31, 2020 (4G coverage is the population reached/covered by Vi with its 4G network).

These network investment initiatives continue to deliver a significant capacity uplift and enable us to offer superior customer experience. Our relentless pursuit to have the best 4G network in the country, through integration and incremental network investments post-merger, are clearly visible through our top rankings in various third party reports. As per Ookla*, the global leader in Internet Performance Testing, we remain the fastest 4G network in the country for two consecutive quarters. We also have the highest rated voice quality in the country as per TRAI's "MyCall" app data for latest 3 months consecutively – November 2020, December 2020 and January 2021.

We launched our unified brand "Vi" on September 07, 2020, on the back of the world's largest integration, which has several unique offerings. This coupled with our superior network performance has started to yield results with various subscriber KPIs showing significant improvement compared to last quarter. The subscriber base stands at 269.8 million in Q3FY21, a QoQ decline of 2.0 million (vs 8.1 million decline in Q2FY21). The gross additions continued to improve and subscriber churn has reduced to 2.3% in Q3FY21 (vs 2.6% in Q2FY21). ARPU for Q3FY21 improved to Rs. 121 compared to Rs. 119 in Q2FY21.

At the end of the quarter, the 4G subscriber base was 109.7 million (vs 106.1 million in Q2), an increase of 3.6 million in the quarter. The data volumes grew by 3.4% QoQ, driven by higher 4G additions. Total minutes on the network declined by 1.5% during the quarter compared to 4.0% decline in Q2FY21.

Financial highlights

Revenue for the quarter improved to Rs. 108.9 billion, a growth of 1.0% QoQ, supported by higher 4G additions. On a reported basis, EBITDA for the quarter was Rs. 42.9 billion, with EBITDA margins at 39.3% vs 38.5% in Q2FY21. EBITDA excluding IndAS 116 of Rs. 21.1 billion was positively impacted due to the amortisation of subscriber acquisition cost over the average expected customer life. Additionally, EBITDA improvement was driven by higher revenue as well as incremental opex savings from our cost optimization initiatives.

Capex spend in Q3FY21 was Rs. 9.7 billion vs Rs. 10.4 billion in Q2FY21. Gross debt (excluding lease liabilities) as of

**Based on analysis by Ookla® of Speedtest Intelligence® data of average 4G download speeds on 4G LTE devices in India for Q3 and Q4 2020. Ookla trademarks used under license and reprinted with permission. Visit myvi.in for more details.*



December 31, 2020 was Rs. 1,173.7 billion, comprising of deferred spectrum payment obligations due to the Government of Rs. 942.0 billion and debt from banks and financial institutions of Rs. 231.7 billion. Cash & cash equivalents were Rs. 2.9 billion and net debt stood at Rs. 1,170.8 billion (vs Rs. 1,145.1 billion in Q2FY21).

Cost optimization initiative underway

After successfully achieving targeted merger opex synergies of Rs. 84 billion, we embarked on a cost optimization exercise across the company in line with the evolving industry structure and business model. We target to achieve Rs. 40 billion of annualized cost savings by end of this calendar year. Through several initiatives, we have already achieved ~50% of the targeted annualised savings on a run-rate basis by the end of Q3FY21.

Fund Raising Initiatives

On September 04, 2020, the Board of Directors approved the raising of funds – (1) issue of equity shares or securities convertible into equity shares, Global Depository Receipts, American Depository Receipts, foreign currency convertible bonds, convertible debentures, warrants, composite issue of non-convertible debentures and warrants entitling the warrant holder(s) to apply for equity shares or a combination thereof up to an aggregate amount of Rs. 150 billion by way a public issue, preferential allotment, private placement, qualified institutions placement or through any other permissible mode in one or more tranches; and (2) issuance of unsecured and / or secured, non-convertible debentures up to an aggregate amount of Rs. 150 billion, by way of public offering or private placement basis or otherwise, in one or more tranches. The total fund raising shall not exceed Rs. 250 billion. We are currently in active discussions with potential investors.

Indus-Bharti Infratel merger update

On August 31, 2020, Vodafone Idea, along with other parties (Vodafone Group, Bharti Airtel, Indus Towers and Bharti Infratel) agreed to proceed with the completion of the Indus-Infratel merger. On November 19, 2020, the scheme became effective and the merger of Indus and Infratel was completed. VIL sold its 11.15% stake in Indus on completion of the merger for a cash consideration of Rs. 37.6 billion in accordance with the terms of the agreement. Out of the considerations received from Infratel, VIL has made a prepayment of Rs. 24.0 billion to the merged tower entity, which will be adjusted in line with the terms of the agreement.

About Vodafone Idea Ltd. (formerly Idea Cellular Ltd)

Vodafone Idea Limited is an Aditya Birla Group and Vodafone Group partnership. It is amongst India's leading telecom service provider. The company provides pan India Voice and Data services across 2G, 3G and 4G platforms. With the large spectrum portfolio to support the growing demand for data and voice, the company is committed to deliver delightful customer experiences and contribute towards creating a truly 'Digital India' by enabling millions of citizens to connect and build a better tomorrow. The company is developing infrastructure to introduce newer and smarter technologies, making both retail and enterprise customers future ready with innovative offerings, conveniently accessible through an ecosystem of digital channels as well as extensive on-ground presence. The company's equity share are listed on National Stock Exchange (NSE) and the BSE in India.

myvi.in

Vodafone Idea Limited (formerly Idea Cellular Limited)
An Aditya Birla Group & Vodafone partnership
Birla Centurion, 10th to 12th Floor, Century Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai - 400030.
T: +91 95940 04000 | F: +91 22 2482 0095

Registered Office:
Suman Tower, Plot no. 18, Sector 11,
Gandhinagar - 382011, Gujarat.
T: +91 79667 14000 | F: +91 79 2323 2251
CIN: L32100GJ1996PLC030976