



30 June 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: Press Release for fourth quarter and financial year ended 31st March 2021

Ref: "Vodafone Idea Limited" (IDEA / 532822)

In continuation of our letter of even date, we are enclosing herewith a copy of the Press Release being issued to the media on the financial performance of the Company for the fourth quarter and financial year ended 31st March, 2021.

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



Media Release – June 30, 2021

Revenue flat QoQ on comparable basis; 4G Subscriber momentum continues to improve supported by Vi GIGAnet - India's fastest 4G network

Highlights for the Quarter

- Average Daily Revenue (ADR), adjusted for IUC impact was flat QoQ. Reported Revenue declined by 11.8% QoQ to Rs. 96.1 billion, 9.6% on account of abolishment of domestic IUC effective from January 01, 2021
- Vi GIGAnet remained the fastest 4G network in India for 3 consecutive quarters, as per Ookla®
- Vodafone Idea had the best voice quality in the country for 6 months consecutively between November 2020 and April 2021, as per TRAI
- Continued network capacity expansion supported by spectrum refarming and network upgrade to 4G
- Strong 4G net additions of 4.2 million taking 4G subscriber base to 113.9 million
- Cost optimization underway with target to achieve **Rs. 40 billion annualized opex savings** by December 2021; achieved ~65% of targeted opex efficiency on run rate basis
- On fund raising, the company is currently in active discussion with potential investors

Financial Highlights

<i>Consolidated (Rs Mn)</i>	Q3FY21	Q4FY21
Revenue	108,941	96,076
EBITDA	42,862	44,087
EBITDA%	39.3%	45.9%
Depreciation & Amortisation	58,241	58,101
EBIT	(15,379)	(14,014)
Interest and Financing Cost (Net)	47,480	46,664
Exceptional Items		
- Impairment (non-cash)	(1,142)	(9,185)
- Others	18,107	(558)
Share of Profit/(Loss) of joint ventures	570	(2)
PBT	(45,324)	(70,423)
PAT	(45,321)	(70,228)
Other Comprehensive Income (net of Tax)	(87)	377
Total Comprehensive Income (Consolidated)	(45,408)	(69,851)

Ravinder Takkar, MD & CEO, Vodafone Idea Limited, said “FY21 has been a transformational year for Vodafone Idea with several important milestones achieved including launch of our unified brand “Vi”. In the year of the pandemic, when people and businesses were hugely dependent on telecom connectivity, we delivered superior network experience and improvement in several operating metrics supported by Vi GIGAnet, which remains the fastest 4G network in India, as per Ookla, as well as the network with highest rated voice quality as per TRAI. We enter FY22 with renewed focus on executing our strategy to keep our customers ahead, and our cost optimization plan remains on track to deliver the targeted savings. We are in active discussion with potential investors for fund raising, to achieve our strategic intent.”



Financial highlights

Revenue for the quarter was Rs. 96.1 billion, a decline of 11.8% QoQ out of which 9.6% was on account of abolishment of domestic IUC effective from January 1, 2021 and 2.2% was on account of lower number of days in the quarter. Average daily revenue, adjusted for IUC impact was flat QoQ. On a reported basis, EBITDA for the quarter was Rs. 44.1 billion, with EBITDA margins at 45.9% vs 39.3% in Q3FY21. EBITDA excluding IndAS 116 impact was Rs. 21.7 billion, compared to Rs. 21.1 billion in Q3FY21. This quarter had one-off of Rs. 4.5 billion primarily in network and IT costs.

Capex spend in Q4FY21 was Rs. 15.4 billion vs Rs. 9.7 billion in Q3FY21. Total capex spend for FY21 stands at Rs. 41.5 billion.

For FY21, Revenue and EBITDA was Rs. 419.5 billion and Rs. 169.5 billion respectively. The total revenue, excluding IUC revenue, declined by 3.3% YoY. FY21 EBITDA, excluding IndAS 116 impact, at Rs. 80.4 billion, significantly improved on YoY basis, compared to Rs. 58.1 billion in FY20, on account of several cost optimization initiatives as well as due to amortisation of subscriber acquisition cost over the average expected customer life starting Q3FY21.

Gross debt (excluding lease liabilities) as of March 31, 2021 was Rs. 1,803.1 billion, comprising of deferred spectrum payment obligations of Rs. 962.7 billion and AGR liability of Rs. 609.6 billion that are due to the Government and debt from banks and financial institutions of Rs. 230.8 billion. The AGR liability is currently taken without considering any impact of corrections which may arise out of the Modification Application filed by the Company. Cash & cash equivalents were Rs. 3.5 billion and net debt stood at Rs. 1,799.6 billion.

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 year, we added ~43,500 4G FDD sites primarily through refarming of 2G/3G spectrum to expand our 4G coverage and capacity. Till date, we have deployed over ~62,000 TDD sites in addition to the deployment of ~13,600 Massive MIMO sites and ~12,600 small cells. Our overall broadband site count stood at 452,650 as of March 31, 2021 compared to 436,006 a year ago. We have shut down over 30,000 3G sites during the year while we added over 47,000 4G sites. We continue to expand our LTE 900 presence in 11 circles at select locations, including through dynamic spectrum refarming, to improve customer experience. Our 4G network covers over 1 billion Indians as of March 31, 2021 (4G coverage is the population reached/covered by Vi with its 4G network).

These network investment initiatives continue to deliver a significant capacity uplift throughout the year, enabling 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 3 consecutive quarters, since Q2FY21. We also have the highest rated voice quality in the country as per TRAI's "MyCall" app data for 6 months consecutively between November 2020 and April 2021.

Our unified brand "Vi", which was launched in September 2020, has already garnered strong awareness and continues to build brand affinity across all customer segments in the country. This coupled with our superior network performance is resulting in improving operating performance over the last few quarters. The subscriber base stands at 267.8 million in Q4FY21, a QoQ decline of 2.0 million. The gross additions continued to improve this quarter as well. Subscriber churn was 3.0% in Q4FY21 vs 2.3% in Q3FY21. ARPU for Q4FY21 declined to Rs. 107 vs Rs. 121 in Q3FY21, on account of removal of IUC, adjusting for which ARPU was broadly flat this quarter.

At the end of the quarter, the 4G subscriber base was 113.9 million (vs 109.7 million in Q3), an increase of 4.2 million in the quarter. The data volumes witnessed healthy growth of 8.2% QoQ, driven by higher 4G additions.

Cost optimization initiative underway

After successfully achieving targeted merger opex synergies of Rs. 84 billion, we have undertaken the 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 ~65% of the targeted annualised savings on a run-rate basis by the end of Q4FY21.

March 2021 Spectrum auction

Vodafone Idea participated in Spectrum Auction conducted by Department of Telecommunications (DoT) in March, 2021 and acquired 23.6 MHz of spectrum across 900 and 1800 MHz in Tamil Nadu, Karnataka, UP East, UP West, and West Bengal at an aggregate value of Rs. 19.93 billion. We have also optimized spectrum holding in some of the circles. Post March 2021 spectrum auction, our overall spectrum holding is 1,768.4 MHz across different frequency bands out of which 1,738.4 MHz spectrum is liberalised and can be used towards deployment of any technology (2G, 3G, 4G or 5G).

**Based on analysis by Ookla® of Speedtest Intelligence® data of average 4G download speeds on 4G LTE devices in India for Q3 2020, Q4 2020 and Q1 2021. Ookla trademarks used under license and reprinted with permission. Visit myvi.in for more details.*

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