



21 January 2022

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051

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

Dear Sirs,

Sub: Quarterly Report for Third Quarter and Nine Months Ended 31st December 2021

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

In continuation of our letter of even date, we are enclosing herewith a copy of the Quarterly Report being issued on the performance of the Company for the third quarter and nine months ended 31st December, 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



together for tomorrow

Vodafone Idea Limited Quarterly Report

3rd quarter ended on December 31st, 2021.



Supplemental Disclosures

Unless stated otherwise, the financial data in this report is derived from our un-audited / audited financial statements prepared in accordance with Ind AS adopted in Q1FY17, with transition date of April 01, 2015. Our financial year ends on 31st March of each year, so all references to a particular financial year are to the twelve months ending March 31 of that year. In this report, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. There are significant differences between Indian GAAP, IFRS, Ind AS and U.S. GAAP; accordingly, the degree to which the Ind AS financial statements will provide meaningful information is dependent on the reader's familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial information presented in this report should accordingly be limited. We have not attempted to explain such differences or quantify their impact on the financial data included herein.

Unless stated otherwise, industry data used throughout this report has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this report is reliable, it has not been independently verified.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the industry.

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1. Vodafone Idea Ltd – An Overview

Vodafone India Limited has merged into Idea Cellular Limited (ICL) on August 31, 2018. Consequently, the name of the company has been changed from ICL to Vodafone Idea Limited. Vodafone Idea Limited is an Aditya Birla Group and Vodafone Group partnership. The company offers Voice and Data services on 2G, 3G and 4G technologies across 22 service areas in India. With its 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 world-class 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 the ground presence. The company is listed on the National Stock Exchange (NSE) and the BSE in India.

Promoter Groups

Vodafone Group is a leading technology communications company in Europe and Africa. The Group is the largest mobile and fixed network operator in Europe and a leading global IoT connectivity provider. The Group operates mobile and fixed networks in 21 countries and partners with mobile networks in 52 more. As of September 30, 2021, the group had over 300 million mobile customers, more than 28 million fixed broadband customers, over 22 million TV customers and connected more than 136 million IoT devices.

Aditya Birla Group, with a turnover of US\$45 billion (FY21), is one of the largest business groups in India. The Aditya Birla Group is a leading multinational conglomerate, in the league of Fortune 500, with operations in 36 countries and a presence spanning diverse sectors like cement, metals and mining, mobile telecommunications, fashion retail, financial services, textiles, carbon black, trading, chemicals and renewables. Over 50% of the Group’s revenues flow from overseas operations across North and South America, Africa and Asia.



Corporate Structure

Vodafone Idea Limited							
100% Subsidiaries							Joint Venture
Vodafone Idea Manpower Services Limited	Vodafone Idea Business Services Limited	Vodafone Idea Communication Systems Limited	Vodafone Idea Shared Services Limited	You Broadband India Limited	Vodafone Foundation	Vodafone Idea Telecom Infrastructure Limited	Firefly Networks Limited
Manpower Services	Data Centre, OSP Services	Trading of communication devices	Shared service center	Fixed line Broadband	Section 8 Company - CSR activities	Fibre assets	Wi-Fi Site Acquisitions, Installation, Maintenance

Other subsidiaries (Insignificant business / non-operating)

- Vodafone Idea Technology Solutions Limited
- Connect India Mobile Technologies Private Limited
- Vodafone M-Pesa Limited

Business Segments

a. Mobility

- **Voice Business** – Vodafone Idea offers Voice services in all 22 service areas. The company covers more than 1.2 billion Indians in over 487,000 Census towns and villages with its Voice services. The company also offers 4G VoLTE across all 22 circles to provide enhanced voice experience to its 4G subscribers as well as Voice over WiFi (VoWiFi) in several circles.
- **Broadband Services** – The broadband services of Vodafone Idea on 3G and 4G platforms are available in all 22 service areas of India. The company’s broadband coverage is available in over 337,300 Census towns and villages with population coverage of more than a billion Indians. The population coverage on 4G is more than 1 billion as well.
- **Content and Digital Offerings** – Vodafone Idea Limited has launched several digital initiatives to address the changing requirements of today’s digital society enabling individuals and enterprises to get a range of benefits and value-adds. Vi offers not just enriched connectivity but also an array of digital products and services to complement the core business.

To provide best in class content to its customers through the application Vi Movies and TV, the company has tied up with various content creators and OTT apps like Voot Select, Fireworks, Sun NXT, Shemaroo Me, Zee, Colours, Lionsgate Play, Hungama, TV Today, Discovery and others. The app provides a range of content including Movies, Live TV, TV shows, Original shows and short



format videos in 16+ languages. Additionally, the company also has product bundling tie ups with leading content providers like Amazon Prime, Hotstar, Zee5 and Netflix for its premium customers.

In a recent initiative, Vi integrated Vi Movies & TV app content with Vi app to allow easier access without having to download multiple apps. With this integration NOW Vi users can watch movies, web series, over 400 Live TV channels on Vi app.

In line with its focus to offer the best of entertainment services to its customers, the company also recently launched Music service on Vi app for all its customers. The service has been launched in association with Hungama Music. With this integration, Vi users can now listen to music on Vi app free for 6 months. This service is currently available for android users and will be available to IOS users soon along with access via Vi Movies and TV app.

VIL has also entered into strategic partnerships with key players in the areas of Learning & Upskilling, Health & Wellness, and Business help to offer unique benefits to the new age customers. The company has forged partnerships with upGrad, Udemy, Pedagogy, cure.fit, 1mg, MFine, Eunimart, Hubbler and Fiskl - and plans to on-board more partners under each of these areas to enable Vi users get customized & exclusive offerings from these players.

b. Business (Enterprise) Services

Vi Business provides total communications solutions to empower global and Indian corporations, public sector & government bodies, small & medium enterprises and start-ups. With market-leading enterprise mobility, robust fixed line connectivity, world-class IoT solutions and insightful business analytics & digital solutions, the company brings the smartest and newest technologies to serve businesses in the digital era. With the advantage of its global expertise and knowledge of local markets, Vi Business endeavours to be a trusted and valued partner for businesses in a digital world. In Vi Business, as VIL progresses on the journey from **telco to techco**, it continues to strengthen partnerships with customers with a range of offerings like Vi Integrated IoT, an end to end IoT solution, Managed SIP, Vi Cloud Firewall Service and Vi Business Plus bundled mobility offering.



2. Our Strengths

Spectrum Portfolio

Vodafone Idea has a total of 1,768.4 MHz of spectrum across difference 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). In March 2021 spectrum auction, VIL acquired 23.6 MHz of spectrum. With this spectrum purchase, 1,340.4 MHz of spectrum has been acquired through auctions between year 2014 and 2021 and is having the validity until 2034 to 2041. This large spectrum portfolio across 22 circles allows the company to create large broadband capacity and ability to offer superior customer experience.

Circle	Liberalised Spectrum					Total FDDx2+TDD
	900	1800	2100	2300	2500	
Andhra Pradesh	5.0	6.6	5.0	-	10.0	43.2
Assam	-	25.0	5.0	-	20.0	80.0
Bihar	-	13.4	5.0	-	10.0	46.8
Delhi	10.0	10.6	5.0	-	20.0	71.2
Gujarat	11.0	20.8	10.0	-	30.0	113.6
Haryana	12.2	15.8	15.0	-	20.0	106.0
Himachal Pradesh	-	11.2	5.0	-	10.0	42.4
Jammu & Kashmir	-	17.0	5.0	-	10.0	54.0
Karnataka	5.0	15.0	5.0	-	-	50.0
Kerala	12.4	20.0	10.0	10.0	20.0	114.8
Kolkata	7.0	15.0	10.0	-	20.0	84.0
Madhya Pradesh	7.4	18.6	5.0	10.0	20.0	92.0
Maharashtra	14.0	12.4	15.0	10.0	30.0	122.8
Mumbai	11.0	10.2	10.0	-	20.0	82.4
North East	-	25.8	5.0	-	20.0	81.6
Orissa	5.0	17.0	5.0	-	20.0	74.0
Punjab	5.6	15.0	10.0	-	10.0	71.2
Rajasthan	6.4	10.0	15.0	-	20.0	82.8
Tamil Nadu	5.0	11.4	15.0	-	-	62.8
Uttar Pradesh (East)	5.6	10.0	20.0	-	20.0	91.2
Uttar Pradesh (West)	5.0	15.0	10.0	-	20.0	80.0
West Bengal	7.4	23.4	5.0	-	20.0	91.6
Liberalised Spectrum	135.0	339.2	195.0	30.0	370.0	1,738.4
Administrative spectrum	6.2	8.8				30.0
Total Spectrum	141.2	348.0	195.0	30.0	370.0	1,768.4

Large Customer Base


Vodafone Idea had 247.2 million subscribers as of December 31, 2021. As the company continues to expand its broadband coverage and capacity, specifically 4G, this large subscriber base provides a great platform for the company to upgrade voice only customers to users of data services and digital offerings.



Robust Network Infrastructure

The company has large network assets in the form of 2G, 3G, 4G equipment and country wide optical fibre cable (OFC). The company has presence in over 184,500 unique locations and has over 450,000 broadband (3G+4G) sites. Its 4G population coverage is over 1 billion Indians as of December 31, 2021. The company has a portfolio of over 287,000 km of OFC including own built, IRU OFC and excluding overlapping routes. Post consolidation of spectrum with each site using spectrum of both the erstwhile entities, coupled with the deployment of TDD sites, DSR, Small Cells and Massive MIMO has enabled further capacity enhancement.

Strong Brand

The brand  continues to garner strong awareness and building brand affinity across all customer segments in the country. The company continues to make extensive progress on the marketing front by communicating key differentiators and entering into various alliances, introducing various innovative products and services.

Vi is building a competitive advantage by continuing to talk about being the fastest mobile network in the country, with a new leg to the #SpeedSeBadho campaign - that showcased stories of how people thrived with Vi - the fastest network of India. The campaign was extensively promoted on TV & Digital. A social campaign to drive engagement was done during Diwali to urge people to #LookUp this Diwali. The company continued to talk about the differentiated offerings of “Unlimited Night Data” and “Weekend Data Rollover on digital & on ground. In line with the company’s strategy of accelerating unlimited base & 4G adoption through attractive content propositions, VIL also introduced a Hotstar pack for prepaid users during IPL and was promoted on digital. These differentiated and unique propositions are aimed at creating stronger network perception, improving customer engagement as well as brand affinity. Vi Brand has won several industry recognitions. Vi was recognised as the most buzziest brand during IPL 2021. Vi also won the Gold & Silver award at the Indian Digital Marketing Awards (IDMA) 2021.



Enterprise Offerings

The company is well positioned in enterprise offerings across industry verticals. The company has built strong relationships with its enterprise customers by providing Enterprise grade solutions and services over last several years. The strong relationship with customers and global know how of Vodafone Group provide strong platform for future growth in this segment. The wide range of Enterprise solutions are powered by GIGANet, born out of the world's largest network integration process. In the ongoing 5G trials, the company has showcased in a first-of-its-kind manner in India, a wide range of real-world enterprise use cases which could enable a better tomorrow for businesses. The use cases demonstrated include Industry 4.0, Public Safety in Smart Cities, Smart healthcare, smart construction, emergency response using Drones, improving Sports Coaching for high performance, and OTT in car and driver safety monitoring in connected vehicles.

Vi Business continues to maintain strong positioning in IoT offerings which is an emerging segment and has potential to grow multi fold in the near future amid Government's push towards 'Digital India' and 'Smart Cities'. With Vi Integrated IoT Solutions, Vi Business is the only telecom company in India to offer a secure end-to-end IoT solution, across industries, for Smart Infrastructure, Smart Mobility and Smart Utilities. Vi Business offers managed security services to serve growing security needs of enterprises as they embrace digital ways of operations. In order to provide comprehensive and integrated connectivity and security solutions to enterprise customers, Vi Business has launched Vi Cloud Firewall Service, a cloud-deployed security solution. Vi Business is creating a multi cloud marketplace through its own assets and strategic partnerships, with propositions like colocation services and IaaS, in order to accelerate digital transformations for enterprises. Vi Business is strengthened by a verticalised operating model, enabling a future fit organization with faster go-to-market across all segments and enhanced agility to serve customers.

In the increasingly hybrid working world, Vi Business Plus Mobility Bundling solutions are enabling today's mobile workforce to connect, communicate, collaborate and do a lot more with their postpaid plans. In partnership with Google Cloud India, Vi Business Plus offers Google Workspace solutions for SMEs and start-ups in order to help them strike the right balance between business objectives and employee flexibility. Vi Business is the first & only telecom company in India to offer Managed SIP service, with high security, resilience, customization, flexibility and best-in-class features in fixed telephony for businesses. Our robust suite of products and services are enabling enterprises to adopt digital in a secure manner, fostering remote working while ensuring



workforce safety and promote employee collaboration. The comprehensive Carrier Services offerings power the digital infrastructure of some of the largest OTT service providers in the country. Our award winning digital experience offerings such as Vi App, Vi Business-Wireline & Vi Business-Mobility are allowing organizations to manage from anywhere and at any time with least manual intervention. Our enterprise digital platform for Vi Business-Mobility, has been recognized by a global jury at ICMG Global awards 2020, for having the best customer centricity and architectural design. Vi Business has been chosen as the preferred partner of choice for Internet of Things (IoT), SIP Trunk, Telecom Carrier (Mobile Access) and Managed Mobility Services in the CIO Choice 2021, on the basis of an extensive pan-India CIO referral voting process that spans across industry verticals.



3. Financial Highlights

A. Profit & Loss Account (Rs mn)

	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22
Gross Revenue	108,941	96,076	91,523	94,064	97,173
Opex	66,079	51,989	54,446	55,435	59,008
EBITDA	42,862	44,087	37,077	38,629	38,165
EBITDA Margin	39.3%	45.9%	40.5%	41.1%	39.3%
Depreciation & Amortisation	58,241	58,101	60,098	59,227	57,388
EBIT	(15,379)	(14,014)	(23,021)	(20,598)	(19,223)
Interest and Financing Cost (net)	47,480	46,664	51,949	50,823	52,903
Share of Profit/(Loss) from JV & associates	570	(2)	5	3	1
Exceptional Items					
- Impairment (non-cash)	(1,142)	(9,185)	-	-	-
- Other Exceptional Items	18,107	(558)	1,779	135	(134)
PBT	(45,324)	(70,423)	(73,186)	(71,283)	(72,259)
Tax Expenses	(3)	(195)	5	40	50
PAT	(45,321)	(70,228)	(73,191)	(71,323)	(72,309)
Other comprehensive income (net of Tax)	(87)	377	62	(123)	(32)
Total comprehensive income for the period	(45,408)	(69,851)	(73,129)	(71,446)	(72,341)

B. Balance Sheet (Rs mn)

Particulars	As on	
	31-Mar-21	31-Dec-21
Assets		
Non-current assets		
Property, plant and equipment (including RoU assets)	575,704	556,971
Capital work-in-progress	5,996	4,462
Intangible assets	1,099,200	1,052,597
Intangible assets under development	63	348
Investments accounted for using the equity method	41	50
Financial assets		
Other non-current financial assets	77,323	92,086
Deferred Tax Assets (net)	23	65
Other non-current assets	135,461	120,626
Total non-current assets (A)	1,893,811	1,827,205
Current assets		
Inventories	6	23
Financial assets		
Current investments	-	11,413
Trade receivables	25,070	24,695
Cash and cash equivalents	3,503	3,520
Bank balance other than cash and cash equivalents	18,662	18,178
Loans to joint ventures and others	9	-
Other current financial assets	2,117	830
Other current assets	90,975	99,070
Total current assets (B)	140,342	157,729
Assets classified as held for sale (C)	653	-
Total Assets (A+B+C)	2,034,806	1,984,934
Equity and liabilities		
Equity		
Equity share capital	287,354	287,354
Other equity	(669,634)	(886,550)
Total equity (A)	(382,280)	(599,196)
Non-Current Liabilities:		
Financial liabilities		
Long term borrowings		
Loans from banks and others	64,846	62,045
Deferred payment obligations	1,509,309	1,657,449
Trade payables	1,268	560
Lease liabilities	109,544	134,735
Other non-current financial liabilities	63,275	105,373
Long term provisions	416	481
Deferred tax liabilities (net)	22	-
Other non-current liabilities	4,381	5,281
Total Non-Current Liabilities (B)	1,753,061	1,965,924
Current Liabilities:		
Financial liabilities		
Short term borrowings	228,948	163,247
Trade payables	132,757	139,944
Lease liabilities	104,555	112,655
Other current financial liabilities	133,316	131,026
Other current liabilities	63,991	70,968
Short term provisions	458	366
Total Current Liabilities (C)	664,025	618,206
Total equity and liabilities (A+B+C)	2,034,806	1,984,934



4. Key Performance Indicators

Mobility KPIs	Unit	Vodafone Idea				
		Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22
Subscriber Base (EoP)	mn	269.8	267.8	255.4	253.0	247.2
VLR Subscribers (EoP)	mn	256.6	255.7	241.7	235.7	229.5
Pre-paid Subs (% of EoP subscribers)	%	92.3%	92.2%	92.1%	92.1%	92.0%
Average Revenue per User (ARPU) Blended	INR	121	107	104	109	115
Average Minutes of Use per User (MoU)	min	673	657	641	630	620
Blended Churn	%	2.3%	3.0%	3.5%	2.9%	3.4%
2G Coverage - No. of Census Towns and Villages	no.	487,173	487,173	487,173	487,173	487,173
2G Coverage - Population	mn	1,218	1,218	1,218	1,218	1,218
Broadband Coverage - No. of Census Towns and Villages	no.	329,273	331,429	332,684	334,749	337,353
Broadband Coverage - Population	mn	1,018	1,021	1,023	1,027	1,029
4G Coverage - Population	mn	1,001	1,005	1,007	1,012	1,015
Total Unique Towers (EoP)	no.	180,226	180,484	180,674	183,886	184,579
Total Unique Broadband Towers (EoP)	no.	164,257	165,409	166,241	167,548	168,238
Total Broadband sites (3G+4G)	no.	447,936	452,650	447,114	450,481	450,330
Total Minutes of Use	bn	547	529	504	480	465
Total Data Volume (2G+3G+4G)	bn MB	4,489	4,856	5,497	5,517	5,242
Total Data Subscribers (2G+3G+4G)	mn	137.6	139.9	136.1	136.7	135.8
4G Subscribers	mn	109.7	113.9	112.9	116.2	117.0
Average Data Usage by 4G Subscriber	MB	12,470	13,205	15,081	14,809	14,008



5. Management Discussion and Analysis

Financial highlights

Revenue for the quarter was Rs. 97.2 billion, a QoQ improvement of 3.3%, aided by several tariff interventions including the recent tariff hikes taken by all operators in November 2021. On a reported basis, EBITDA for the quarter was Rs. 38.2 billion. Post adoption of Ind AS 116, the accounting for operating lease expenses has changed from rentals to depreciation on the right-of-use asset and finance cost for interest accrued on lease liability. Accordingly, this has an impact of Rs. 21.6 billion and Rs. 0.4 billion on Network expenses and Other expenses respectively. EBITDA excluding Ind AS 116 impact improved to Rs. 16.2 billion, compared to Rs. 14.1 billion in Q2FY22 (post adjustment for one-off of Rs. 1.5 billion in Q2), aided by improvement in revenue and higher savings on account of cost optimization exercise, which is partially offset by higher marketing expenses. Capex spend for Q3FY22 was Rs. 10.5 billion vs Rs. 13.0 billion in Q2FY22.

Further, Depreciation & Amortisation expenses and Finance costs (Net) for the quarter are Rs. 57.4 billion and Rs. 52.9 billion respectively. Excluding the impact of Ind AS 116, the Depreciation & Amortisation expenses and Finance costs (Net) for the quarter stands at Rs. 43.5 billion and Rs. 46.7 billion.

The total gross debt (excluding lease liabilities and including interest accrued but not due) as of December 31, 2021 stands at Rs. 1,989.8 billion, comprising of deferred spectrum payment obligations of Rs. 1,113.0 billion, AGR liability of Rs. 646.2 billion that are due to the Government and debt from banks and financial institutions of Rs. 230.6 billion. Cash & cash equivalents were Rs. 15.0 billion and net debt stood at Rs. 1,974.8 billion.

Operational highlights

We continue to invest in 4G to increase our coverage and capacity. During the quarter, we added ~4,000 4G FDD sites primarily through refarming of 2G/3G spectrum to expand our 4G coverage and capacity as well as continued to upgrade our core and transmission network. Our overall broadband site count stood at 450,330, marginally lower compared to 450,481 in Q2FY22 as we continued to shutdown our 3G sites in a phased manner. Till date, we have deployed nearly 67,000 TDD sites in addition to the deployment of ~13,850 Massive MIMO sites and ~13,150 small cells. Further, we continue to expand our LTE 900 presence in 12 circles at multiple locations, including through dynamic spectrum refarming, to improve customer experience. Our 4G network covers over 1 billion Indians as of December 31, 2021 (4G coverage is the population reached/covered by VIL with its 4G network).



These network investment initiatives continue to deliver a significant capacity uplift with our data capacity now over 2.8x compared to September 2018. Our relentless pursuit to have a superior 4G network in the country, through integration and incremental network investments post-merger, are clearly visible through our top rankings on 4G download speeds in independent external reports. We also have the highest rated voice quality in the country as per TRAI's "MyCall" app data for 12 out of 14 months between November 2020 and December 2021. Our unified brand "Vi", thus continues to garner strong awareness building brand affinity across all customer segments in the country.

In line with our digital offering strategy, we continue to add to our array of content offerings and digital products and services through partnerships. During the quarter, we launched our music offerings on the Vi App in association with Hungama Music, offering 6 months premium subscription of Hungama Music at no extra charge to all our postpaid and pre-paid customers.

During the last two quarters, we have done several tariff interventions to improve ARPU. We had increased the tariffs on entry level prepaid plans from Rs. 49 to Rs. 79 as well as increased tariffs on certain postpaid plans across retail and enterprise segments during Q2FY22. In November 2021, we increased the prepaid tariffs across all price points including unlimited plans as well as combo vouchers, moving the entry level prepaid plan to Rs. 99. Resultantly, ARPU improved to Rs. 115, up 5.2% QoQ vs Rs. 109 in Q2FY22. The subscriber base declined to 247.2 million vs 253.0 million in Q2FY22, because of these tariff interventions. However, the 4G subscriber continued to grow and with 0.8 million customers added in Q3, 4G base now stands at 117.0 million. Subscriber churn increased to 3.4% in Q3FY22 vs 2.9% in Q2FY22. Data usage per 4G subscriber is now at ~14 GB/month vs ~12 GB/month a year ago.

Cost optimization initiative

After successfully achieving targeted merger opex synergies of Rs. 84 billion, we had undertaken a cost optimization exercise across the company in line with the evolving industry structure and business model. Through several initiatives, we have achieved ~90% annualised savings on a run-rate basis by the end of Q3FY22 against the target of Rs. 40 billion. With this, we have achieved the desired cost optimisation in line with our operating model.

Government reform package

On September 15, 2021, the Government announced a comprehensive reform package for the Indian telecom sector including measures to address the structural, procedural and liquidity issues. To address the immediate liquidity concerns of the sector, Government has provided an option of up to four years of moratorium on AGR dues and spectrum instalments due between October 2021 and September 2025



with an option to convert interest arising from such deferment into equity upfront. Other reforms include clarity on AGR definition, reduction in bank guarantees, removal of penalty and reduction of interest for delay in payment of LF and SUC etc. All these reforms are expected to provide long term benefit to all the operators, including the company. The reforms package and the implementation has been welcomed by all the company stakeholders including the banks and investors.

We had opted for 4 years of deferment for both Spectrum and AGR dues in October 2021. This will provide us liquidity support and direct the cash flow generation towards capex investment. Further, on 10th January 2022, our Board of Directors approved the upfront conversion of the full amount of interest arising due to deferment of spectrum instalments and AGR dues into equity. NPV of this interest is expected to be about Rs. 160 billion as per our best estimates, subject to confirmation by DoT. The conversion of this DoT debt to equity will reduce the overall debt of the Company.



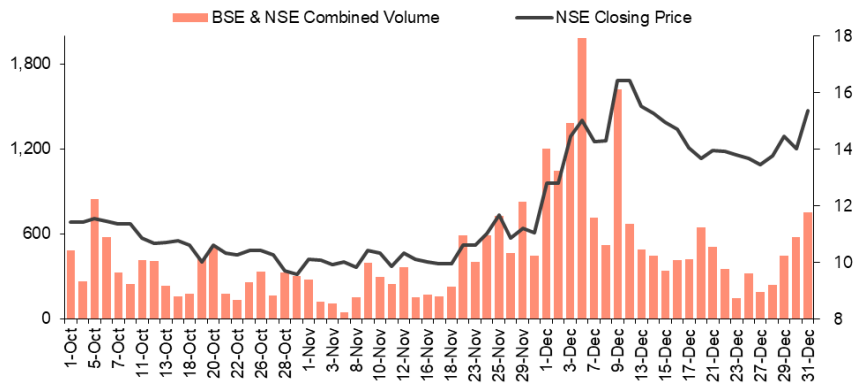
6. Stock Market Highlights

General Information		
BSE Code		532822
NSE Symbol		IDEA
Reuters		IDEANS
No of Shares Outstanding (31/12/2021)	mn	28735.4
Closing Market Price - NSE (31/12/2021)	INR/share	15.35
Combined Volume (NSE & BSE) (01/10/2021 to 31/12/2021)	mn/day	458.1
Combined Value (NSE & BSE) (01/10/2021 to 31/12/2021)	INR mn/day	5848.2
Market Capitalisation (31/12/2021)	INR bn	441
Enterprise Value (31/12/2021)	INR bn	2416

Vodafone Idea Daily Stock Price (NSE) & Volume (Combined of BSE & NSE) Movement

Volume (no. of Shares in mn)

Closing Price (INR)



7. Shareholding Pattern

Particulars	As on Dec 31, 2021	
	No. of Shares	% holding
Promoter and Promoter Group		
Aditya Birla Group	7,948,341,627	27.66%
Vodafone Group	12,755,576,455	44.39%
Total Promoter Holding	20,703,918,082	72.05%
Public Shareholding		
Institutional Holding	1,599,827,173	5.57%
Non-Institutional Holding	6,431,643,985	22.38%
Total	28,735,389,240	100.00%

8. Glossary

Definitions/Abbreviation	Description/Full Form
ARPU (Average Revenue Per User)	Is calculated by dividing services revenue (exclusive of infrastructure, fixed line and device revenues) for the relevant period by the average number of subscribers during the period. The result obtained is divided by the number of months in that period to arrive at the ARPU per month figure.
4G Subscriber	Any subscriber with data usage of more than 0KB on 4G network or VoLTE usage.
Churn	Is calculated by dividing the difference in gross add and net add for the relevant period by the average number of subscribers during the period. The result obtained is divided by the number of months in that period to arrive at the monthly churn.
Data Subscriber	Any subscriber with data usage on the network of more than 0KB.
EBITDA (Earnings before interest, tax, depreciation and amortisation)	This is the amount after deducting operating expenditure from Revenue from operations, which is comprised of Service revenue, Sales of trading goods and Other operating income. Operating expenditure is comprised of Cost of trading goods, Employee benefit expenses, Network expenses and IT outsourcing costs, License fees and spectrum usage charges, Roaming and access charges, Marketing, content, customer acquisition & service costs, and other expenses.
Enterprise Value	Is the summation of Market Capitalisation and consolidated Net Debt
EPS	Earnings per share, is calculated by dividing the Profit after Tax for the period by the weighted average number of outstanding equity shares.
EoP	End of period
FY	Financial year ending March 31
GSM	Global System for Mobile communications, the most popular standard for mobile telephony in the world
Gross Revenue	Is the summation of service revenue, revenue from sale of trading goods and other income
Ind AS	Indian Accounting Standard
Indian GAAP	Indian Generally Accepted Accounting Principles
Market Capitalisation	Number of outstanding shares at end of the period multiplied by closing market price (NSE) at end of the period
Net Adds	Refers to net customer additions which is calculated as the difference between the closing and the opening customer base for the period



Definitions/Abbreviation	Description/Full Form
Net Debt	Total loan funds, excluding finance lease obligations, but including deferred spectrum payment obligations and AGR liability due to the Government and including interest accrued but not due reduced by cash and cash equivalents
Net Worth	Calculated as the summation of Share Capital and Reserves & Surplus reduced by debit balance of Profit & Loss account (if any)
Price to Earning	Is calculated by dividing the closing market price (NSE) at the end of the period by the annualised EPS
Site	Represents unique combination of Technology and Spectrum band (frequency). Site count does not include Massive MIMO and Small Cells
Service Area/ Circle	Unless otherwise specifically mentioned, means telecom service areas in India as defined by the DoT



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