



14 August 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 First Quarter Ended 30th June 2021 - 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 first quarter ended 30th June 2021, 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 3:00 P.M. and concluded at 7:15 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 Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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 venture for the quarter ended June 30, 2021 (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 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.
6. Material Uncertainty Related to Going Concern

We draw attention to Note 3 to the financial results, which describes the Company's financial condition as at June 30, 2021 and its debt and AGR obligations due for the next 12 months. The total debt of the Group stands at Rs 1,915,888 Mn (including interest accrued but not due

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

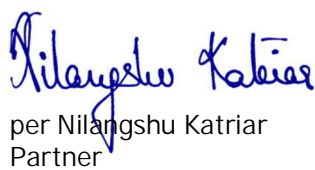
and AGR liability) of which the next instalment of the AGR liability and debt amounting to Rs 168,534 Mn (excluding amount classified from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses) is payable in next 12 months. The Company's financial performance 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 its ability to raise additional funds as required in line with the approval by the Company's board of directors in its meeting on September 4, 2020, successful negotiations with lenders for continued support/additional funding, monetisation of certain assets, outcome of the review petition filed with the Hon'ble Supreme Court and clarity of the next instalment amount, acceptance of its deferment request by DoT and generation of cash flow from its operations that it needs to settle/renew its liabilities/guarantees as they fall due.

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 5 million for the quarter ended June 30, 2021 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: 21058814AAAADS7657

Place: Mumbai

Date: August 14, 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 Venture and Associate

Subsidiaries

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

Joint Venture

1. FireFly Networks Limited

Associate

1. Aditya Birla Idea Payments Bank Limited





VODAFONE IDEA LIMITED
 Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976
 Unaudited Consolidated Financial Results for the three months ended 30-June-2021



(Rs. Mn, except per share data)

Particulars	Quarter ended			Year ended
	30-June-21 Unaudited	31-March-21 Refer Note 8	30-June-20 Unaudited	31-March-21 Audited
INCOME				
Service Revenue	91,440	96,018	106,545	419,331
Sale of Trading Goods	20	9	12	51
Other Operating Income	63	49	36	140
REVENUE FROM OPERATIONS	91,523	96,076	106,593	419,522
Other Income	335	402	553	1,742
TOTAL INCOME	91,858	96,478	107,146	421,264
EXPENSES				
Cost of Trading Goods	12	7	8	30
Employee Benefit Expenses	3,829	4,408	5,718	20,300
Network Expenses and IT Outsourcing Costs	24,927	21,366	24,110	95,938
License Fees and Spectrum Usage Charges	9,977	10,407	10,017	41,295
Roaming & Access Charges	6,696	6,474	15,026	52,906
Marketing, Content, Customer Acquisition & Service Costs	6,283	6,495	6,478	25,552
Finance Costs	52,284	47,066	38,039	179,981
Depreciation & Amortisation Expenses	60,098	58,101	59,757	236,385
Other Expenses	2,722	2,832	4,252	14,044
TOTAL EXPENSES	166,828	157,156	163,405	666,431
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS,TAX AND SHARE IN PROFIT / (LOSS) OF JOINT VENTURES AND ASSOCIATE	(74,970)	(60,678)	(56,259)	(245,167)
Add: Share in Profit/(Loss) of Joint Ventures and Associate (net)	5	(2)	889	2,314
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	(74,965)	(60,680)	(55,370)	(242,853)
Exceptional Items (Net) (Refer Note 5)	1,779	(9,743)	(199,232)	(199,681)
PROFIT/ (LOSS) BEFORE TAX	(73,186)	(70,423)	(254,602)	(442,534)
Tax expense:				
- Current tax	39	(183)	1	(180)
- Deferred tax	(34)	(12)	(3)	(23)
PROFIT / (LOSS) AFTER TAX	(73,191)	(70,228)	(254,600)	(442,331)
Items not to be reclassified to profit or loss in subsequent periods:				
- Re-measurement gains/ (losses) of defined benefit plans	62	374	(71)	374
- Income tax effect	-	3	2	(4)
- Group's share in other comprehensive income of joint ventures and associate	-	-	(1)	(2)
TOTAL COMPREHENSIVE INCOME/(LOSS)	(73,129)	(69,851)	(254,670)	(441,963)
Paid up Equity Share Capital (Face value Rs. 10 per share)	287,354	287,354	287,354	287,354
Other Equity				(669,634)
Earnings Per Share for the period (Rs.)				
- Basic	(2.55)	(2.44)	(8.86)	(15.40)
- Diluted	(2.55)	(2.44)	(8.86)	(15.40)



Notes

1. 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 14th August, 2021.
2. 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, which the Company believes is as demanded by DoT for the period upto the date of judgment, the next instalment would be payable only by 31st March, 2022. Accordingly, the Company has informed DoT that it has paid more than 10 % of the total dues and has complied with Hon'ble Supreme Court order. The Company has also filed affidavit with Hon'ble Supreme Court confirming payment of 10% of the total dues with an undertaking to pay the arrears as per the Court judgement.

On 7th January, 2021, the Company had filed a modification application with the 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 application has been dismissed by the Hon'ble Supreme Court on 23rd July, 2021. Subsequently, on 10th August, 2021, the Company has filed a review petition with the Hon'ble Supreme Court for considering to hear the modification application again. Accordingly, during the quarter, the Company has continued to recognize its AGR obligations based on the AGR judgment of the Hon'ble Supreme Court, License Agreement, etc. Consequently, the liability towards AGR dues for the period up to the date of judgment along with interest till 30th June, 2021 stands at Rs. 621,795 Mn (net of payment of Rs. 78,544 Mn).

3. The Group has incurred a loss of Rs. 73,191 Mn for the quarter ended 30th June, 2021 and its net worth stands at negative Rs. 455,409 Mn. As at 30th June, 2021, the total debt (including interest accrued but not due and AGR liability) of the Group stands at Rs. 1,915,888 Mn. As of 30th June, 2021, an amount of Rs. 79,944 Mn (31st March, 2021: Rs. 85,472 Mn) (net of waiver received) has been classified 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. Further, as a result of earlier rating downgrade, certain lenders had asked for increase of interest rates and additional margin money/security against existing facilities. The Group has exchanged correspondences and continues to be in discussion with the lenders for the next steps/waivers. Subsequent to the quarter end, there is a further downgrade in rating by CARE to "CARE B-; Under Credit Watch with Negative Implications". The existing debt (excluding deferred spectrum obligation) of Rs. 86,417 Mn is payable by 30th June, 2022. Further, the Company has written to DoT for deferment of the spectrum payment instalment of Rs 82,117 Mn payable as at 9th April, 2022. In addition, as discussed in note 2 above, the Group would need to make a payment of the next instalment of the AGR liability (clarity on which is awaited pending the outcome of the review petition filed by the Company). Also, the Group needs to provide additional Bank Guarantees of Rs. 9,757 Mn to avail additional moratorium of one year on spectrum instalments for November 2012, February 2014 and October 2016 auctions amounting to Rs. 64,392 Mn. Guarantees amounting to Rs. 133,580 Mn are due to expire during the next twelve months. The Board of Directors of the Company, at its meeting held on 4th September, 2020 had approved the fund-raising plan of up to Rs. 250,000 Mn.

There exists material uncertainty relating to the Group's ability to continue as a going concern which is dependent on its ability to raise additional funds as required, successful negotiations with lenders on continued support / additional funding, monetisation of certain assets, outcome of the review petition filed with the Hon'ble Supreme Court and clarity of the next instalment amount, acceptance of its deferment request by DoT and generation of cash flow from operations that it needs to settle / renew its liabilities / guarantees as they fall due. As of date, the Group has met all its debt obligations. Pending the outcome of the above matters, these consolidated financial results have been prepared on a going concern basis.

4. The Group operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segments.



5. Exceptional Items :-

Rs. Mn

Particulars	Quarter ended			Year ended
	30-June-21 Unaudited	31-March-21 Refer Note 8	30-June-20 Unaudited	31-March-21 Audited
Gain on sale of stake in Indus	-	-	-	21,189
Integration and merger related costs	513	464	(4,245)	(9,892)
Impact due to cancellation of lease contract on network re-alignment	-	314	499	1,696
Provision for additional depreciation / impairment of assets	-	(1,968)	377	(5,745)
Impairment of Brand ⁽¹⁾	-	(7,246)	-	(7,246)
License fees and SUC on AGR Matter	-	-	(194,405)	(194,405)
One Time Spectrum Charges (including interest)	-	(1,307)	(1,230)	(5,027)
Gain on sale of leasehold land	1,266	-	-	-
Others	-	-	(228)	(251)
Total	1,779	(9,743)	(199,232)	(199,681)

⁽¹⁾ Impairment charge basis re-assessment of the usability of the existing Vodafone brand trademarks and logos over its useful life following the launch of a new integrated brand V!

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

Rs. Mn

Particulars	Quarter ended			Year ended
	30-June-21 Unaudited	31-March-21 Refer Note 8	30-June-20 Unaudited	31-March-21 Audited
Revenue from Operations	90,882	95,309	105,939	416,727
Profit /(Loss) before Tax	(74,157)	(70,473)	(253,339)	(463,145)
Net Profit /(Loss) after Tax	(74,157)	(70,265)	(253,339)	(462,937)

7. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slow down of economic activity. The Ministry of Home Affairs vide order No.40-3/2020 dated 24th March, 2020 notified telecommunication services amongst the essential services which continued to operate during the lockdown period. During the quarter, customer's ability to recharge, availability of physical recharge, acquisition of new customers as well as network rollout have been somewhat adversely impacted due to lockdown in most parts of the country, however the services to our customers continue without any material disruption. As on the date of these results, the Group based on the internal and external information available and the current indicators, believes that there is no material impact of the pandemic on its overall performance, except as mentioned hereinbefore. However, given the uncertainties associated with the nature and duration of COVID-19, the Group continues to monitor the situation closely and shall take appropriate actions based on material changes (if any).
8. The consolidated financial results for the quarter ended 31st March, 2021 are balancing figures between audited results for the full financial year ended 31st March, 2021 and the published year to date figures upto 31st December, 2020.
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: 14th August, 2021
Place: Gurugram



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

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 June 30, 2021 (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 Note 3 to the financial results, which describes the Company's financial condition as at June 30, 2021 and its debt and AGR obligations due for the next 12 months. The total external debt of the Company stands at Rs 1,915,888 Mn (including interest accrued but not due and AGR liability) of which the next instalment of the AGR liability and debt amounting to Rs 168,534 Mn (excluding amount classified from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses) is payable in next 12 months. 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.

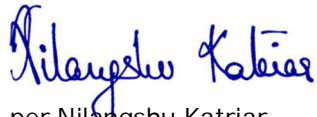
S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

The said assumption of going concern is essentially dependent on its ability to raise additional funds as required in line with the approval by the Company's board of directors in its meeting on September 4, 2020, successful negotiations with lenders for continued support/additional funding, monetisation of certain assets, outcome of the review petition filed with the Hon'ble Supreme Court and clarity of the next instalment amount, acceptance of its deferment request by DoT and generation of cash flow from its operations that it needs to settle/renew its liabilities/guarantees as they fall due.

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: 21058814AAAADR8217

Place: Mumbai
Date: August 14, 2021



VODAFONE IDEA LIMITED
 Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976
 Unaudited Financial Results for the three months ended 30-June-2021



(Rs. Mn, except per share data)

Particulars	Quarter ended			Year Ended
	30-June-21 Unaudited	31-March-21 Refer Note 7	30-June-20 Unaudited	31-March-21 Audited
INCOME				
Service Revenue	90,813	95,277	105,895	416,589
Other Operating Income	69	32	44	138
REVENUE FROM OPERATIONS	90,882	95,309	105,939	416,727
Other Income	292	311	1,640	2,584
TOTAL INCOME	91,174	95,620	107,579	419,311
EXPENSES				
Employee Benefit Expenses	3,407	4,018	5,303	18,583
Network Expenses and IT Outsourcing Costs	25,843	22,112	24,258	97,941
License Fees and Spectrum Usage Charges	9,944	10,404	10,016	41,291
Roaming & Access Charges	6,696	6,474	15,026	52,906
Marketing, Content, Customer Acquisition & Service Costs	6,384	6,583	6,617	26,025
Finance Costs	52,232	47,110	38,009	179,916
Depreciation & Amortisation Expenses	58,319	56,295	57,938	229,062
Other Expenses	3,019	3,371	4,519	15,696
TOTAL EXPENSES	165,844	156,367	161,686	661,420
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	(74,670)	(60,747)	(54,107)	(242,109)
Exceptional Items (net) (Refer Note 5)	513	(9,726)	(199,232)	(221,036)
PROFIT/(LOSS) BEFORE TAX	(74,157)	(70,473)	(253,339)	(463,145)
Tax expense:				
- Current tax	-	(208)	-	(208)
- Deferred tax	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	(74,157)	(70,265)	(253,339)	(462,937)
Items not to be reclassified to profit or loss in subsequent periods:				
- Equity instrument through other comprehensive gains/(losses)	-	-	(1,537)	(4,512)
- Income tax effect on equity instrument through other comprehensive gains/(losses)	-	-	-	-
- Re-measurement gains/ (losses) of defined benefit plans	59	391	(63)	360
- Income tax effect on re-measurement gains/ (losses) of defined benefit plans	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS)	(74,098)	(69,874)	(254,939)	(467,089)
Paid up Equity Share Capital (Face value Rs. 10 per share)	287,354	287,354	287,354	287,354
Other Equity				(664,430)
Earnings/(Loss) Per Share for the period (Rs.)				
- Basic	(2.58)	(2.45)	(8.82)	(16.11)
- Diluted	(2.58)	(2.45)	(8.82)	(16.11)



Notes

1. 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 14th August, 2021.
2. 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, which the Company believes is as demanded by DoT for the period upto the date of judgment, the next instalment would be payable only by 31st March, 2022. Accordingly, the Company has informed DoT that it has paid more than 10 % of the total dues and has complied with Hon'ble Supreme Court order. The Company has also filed affidavit with Hon'ble Supreme Court confirming payment of 10% of the total dues with an undertaking to pay the arrears as per the Court judgement.

On 7th January, 2021, the Company had filed a modification application with the 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 application has been dismissed by the Hon'ble Supreme Court on 23rd July, 2021. Subsequently, on 10th August, 2021, the Company has filed a review petition with the Hon'ble Supreme Court for considering to hear the modification application again. Accordingly, during the quarter, the Company has continued to recognize its AGR obligations based on the AGR judgment of the Hon'ble Supreme Court, License Agreement, etc. Consequently, the liability towards AGR dues for the period up to the date of judgment along with interest till 30th June, 2021 stands at Rs. 621,795 Mn (net of payment of Rs. 78,544 Mn).

3. The Company has incurred a loss of Rs. 74,157 Mn for the quarter ended 30th June, 2021 and its net worth stands at negative Rs. 451,174 Mn. As at 30th June, 2021, the total external debt (including interest accrued but not due and AGR liability) of the Company stands at Rs. 1,915,888 Mn. As of 30th June, 2021, an amount of Rs. 79,944 Mn (31st March, 2021: Rs. 85,472 Mn) (net of waiver received) has been classified 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. Further, as a result of earlier rating downgrade, certain lenders had asked for increase of interest rates and additional margin money/security against existing facilities. The Company has exchanged correspondences and continues to be in discussion with the lenders for the next steps/waivers. Subsequent to the quarter end, there is a further downgrade in rating by CARE to "CARE B-; Under Credit Watch with Negative Implications". The existing external debt (excluding deferred spectrum obligation) of Rs. 86,417 Mn is payable by 30th June, 2022. Further, the Company has written to DoT for deferment of the spectrum payment instalment of Rs 82,117 Mn payable as at 9th April, 2022. In addition, as discussed in note 2 above, the Company would need to make a payment of the next instalment of the AGR liability (clarity on which is awaited pending the outcome of the review petition filed by the Company). Also, the Company needs to provide additional Bank Guarantees of Rs. 9,757 Mn to avail additional moratorium of one year on spectrum instalments for November 2012, February 2014 and October 2016 auctions amounting to Rs. 64,392 Mn. Guarantees amounting to Rs. 133,580 Mn are due to expire during the next twelve months. The Board of Directors of the Company, at its meeting held on 4th September, 2020 had approved the fund-raising plan of up to Rs. 250,000 Mn.

There exists material uncertainty relating to the Company's ability to continue as a going concern which is dependent on its ability to raise additional funds as required, successful negotiations with lenders on continued support / additional funding, monetisation of certain assets, outcome of the review petition filed with the Hon'ble Supreme Court and clarity of the next instalment amount, acceptance of its deferment request by DoT and generation of cash flow from operations that it needs to settle / renew its liabilities / guarantees as they fall due. As of date, the Company has met all its debt obligations. Pending the outcome of the above matters, these financial results have been prepared on a going concern basis.

4. The Company operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segments.



5. Exceptional Items: -

Rs. Mn

Particulars	Quarter ended			Year Ended
	30-June-21 Unaudited	31-March-21 Refer Note 7	30-June-20 Unaudited	31-March-21 Audited
Loss on sale of stake in Indus	-	-	-	(170)
Integration and merger related costs	513	461	(4,245)	(9,907)
Impact due to cancellation of lease contract on network re-alignment	-	314	499	1,696
Provision for additional depreciation / impairment of assets	-	(1,938)	377	(5,716)
Impairment of Brand ⁽¹⁾	-	(7,246)	-	(7,246)
Provision for impairment towards its loan receivable/investment in subsidiaries / associate	-	(10)	-	(10)
License fees and SUC on AGR Matter	-	-	(194,405)	(194,405)
One Time Spectrum Charges (including interest)	-	(1,307)	(1,230)	(5,027)
Others	-	-	(228)	(251)
Total	513	(9,726)	(199,232)	(221,036)

⁽¹⁾ Impairment charge basis re-assessment of the usability of the existing Vodafone brand trademarks and logos over its useful life following the launch of a new integrated brand V!

- The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slow down of economic activity. The Ministry of Home Affairs vide order No.40-3/2020 dated 24th March, 2020 notified telecommunication services amongst the essential services which continued to operate during the lockdown period. During the quarter, customer's ability to recharge, availability of physical recharge, acquisition of new customers as well as network rollout have been somewhat adversely impacted due to lockdown in most parts of the country, however the services to our customers continue without any material disruption. As on the date of these results, the Company based on the internal and external information available and the current indicators, believes that there is no material impact of the pandemic on its overall performance, except as mentioned hereinbefore. However, given the uncertainties associated with the nature and duration of COVID-19, the Company continues to monitor the situation closely and shall take appropriate actions based on material changes (if any).
- The financial results for the quarter ended 31st March, 2021 are balancing figures between audited results for the full financial year ended 31st March, 2021 and the published year to date figures upto 31st December, 2020.
- Previous period figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of

VODAFONE IDEA LIMITED



Date: 14th August, 2021

Place: Gurugram

Ravinder Takkar
Managing Director & Chief Executive Officer





Media Release – August 14, 2021

Q1 impacted by COVID related disruptions; Strong data volume growth reflects improving consumer engagement and seamless connectivity

Highlights for the Quarter

- Revenue declined by 4.7% QoQ to Rs. 91.5 billion on account of slowdown in economic activities due to lockdown/restrictions in several districts during the severe second wave of COVID
- Strong data volume growth of 13.2% QoQ reflects robust consumer engagement
- Continued network capacity expansion supported by spectrum refarming and network upgrade to 4G
- Vi GIGAnet continued to offer superior network experience on both, data and voice, as reflected in independent external reports
- Cost optimization underway with target to achieve **Rs. 40 billion annualized opex savings** by December 2021; achieved ~70% of targeted opex efficiency on run rate basis
- On fund raising, the company is currently in active discussion with potential investors
- The Hon'ble SC dismissed the modification application filed by the Company and Other Telecom Operators for correction of the manifest/clerical/arithmetic errors in AGR calculation. Subsequently, the company has filed a review petition with the SC.

Financial Highlights

Consolidated (Rs Mn)	Q4FY21	Q1FY22
Revenue	96,076	91,523
EBITDA	44,087	37,077
EBITDA%	45.9%	40.5%
Depreciation & Amortisation	58,101	60,098
EBIT	(14,014)	(23,021)
Interest and Financing Cost (Net)	46,664	51,949
Exceptional Items		
- Impairment (non-cash)	(9,185)	-
- Others	(558)	1,779
Share of Profit/(Loss) from JV & associates	(2)	5
PBT	(70,423)	(73,186)
PAT	(70,228)	(73,191)
Other Comprehensive Income (net of Tax)	377	62
Total Comprehensive Income (Consolidated)	(69,851)	(73,129)

Ravinder Takkar, MD & CEO, Vodafone Idea Limited, said *“The severe second wave of COVID caused significant disruptions and slowdown in economic activities. During these challenging times, VIL continued to serve its customers and community at large by providing seamless connectivity as well as maintaining superior quality of services. Vi GIGAnet’s superior network experience on both data and voice, is testified through top rankings in independent external reports. We continue to 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. 91.5 billion, a decline of 4.7% QoQ, on account of slowdown in economic activities due to lockdown or restrictions in most of the districts during the severe second wave of COVID. On a reported basis, EBITDA for the quarter was Rs. 37.1 billion, with EBITDA margins at 40.5% vs 45.9% in Q4FY21. EBITDA excluding IndAS 116 impact declined to Rs. 12.8 billion, adjusted for one-off of Rs. 1.0 billion, compared to Rs. 17.2 billion in Q4FY21 (adjusted for one-off of Rs. 4.5 billion), on account of lower revenue during the quarter. Capex spend for Q1FY22 was Rs. 9.4 billion vs Rs. 15.4 billion in Q4FY21.

The total gross debt (excluding lease liabilities and including interest accrued but not due) as of June 30, 2021 stands at Rs. 1,915.9 billion, comprising of deferred spectrum payment obligations of Rs. 1,060.1 billion and AGR liability of Rs. 621.8 billion that are due to the Government and debt from banks and financial institutions of Rs. 234.0 billion. Cash & cash equivalents were Rs. 9.2 billion and net debt stood at Rs. 1,906.7 billion.

Operational highlights

We continue to invest in 4G to increase our coverage and capacity. During the quarter, we added ~6,400 4G FDD sites primarily through refarming of 2G/3G spectrum to expand our 4G coverage and capacity. Our overall broadband site count stood at 447,114, lower compared to 452,650 in Q4FY21 as we continue to actively shutdown 3G sites. Till date, we have deployed nearly 63,000 TDD sites in addition to the deployment of ~13,800 Massive MIMO sites and ~12,800 small cells. We continue to expand our LTE 900 presence in 12 circles at select locations, including through dynamic spectrum refarming, to improve customer experience. Our 4G network covers over 1 billion Indians as of June 30, 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, enabling us to offer superior customer experience. 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 between November 2020 and June 2021 (except in month of May).

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. The subscriber base however declined by 12.3 million as the second wave of COVID disrupted economic activity, with lockdowns or restricted store timings impacting the gross additions during the quarter. The subscriber base stands at 255.4 million in Q1FY22 vs 267.8 million in Q4FY21. However, the 4G subscriber base remained resilient at 112.9 million vs 113.9 million in Q4FY21.

Subscriber churn was 3.5% in Q1FY22 vs 3.0% in Q4FY21. ARPU declined to Rs. 104 vs Rs. 107 in Q4FY21. The data volumes witnessed strong growth of 13.2% QoQ, driven by higher data demand during the lockdown. Data usage per broadband subscriber surged to 14.6 GB/month vs 12.8 GB/month in Q4FY21.



Vi Business has launched Integrated IoT platform, offering end-to-end IoT Solutions, which is a pioneer offer in the market. The company has started the journey of integrated IoT with proposition of Smart Infrastructure, Smart Mobility and Smart Utilities to address the need of these industries, which will be further expanded gradually. The secure end-to-end IoT solution comprises of connectivity, hardware, network, application, analytics, security and support. This is a strategic step towards making Vi Business – an IoT ecosystem integrator for Indian enterprises and positioning VIL to have an ecosystem play driving our transformation from a ‘Telco’ to ‘Techco’.

Cost optimization initiative

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 ~70% of the targeted annualised savings on a run-rate basis by the end of Q1FY22.

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

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