

together for tomorrow

Vodafone Idea Limited Quarterly Report

2nd quarter ended on September 30th, 2022.



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/or 4G technologies across 22 service areas in India. In the recently concluded spectrum auction, the company has also acquired 5G spectrum in Mid band (3300 MHz) and mmWave (26 GHz). 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 the largest pan-European and African technology Communications Company. The Group operates mobile and fixed networks in 22 countries and partners with mobile networks in 47 more. As of June 30, 2022, the group had over 300 million mobile customers, more than 28 million fixed broadband customers, over 22 million TV customers. Vodafone is a world leader in the Internet of Things (IoT), connecting more than 160 million devices and platforms.

Aditya Birla Group, with a turnover of ~US\$60 billion (FY22), 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 Infrastructre 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/or 4G platforms are available in all 22 service areas of India. The company’s broadband coverage is available in nearly 339,200 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 Vi Movies & TV app, the company has tied up with various content creators and OTT apps like Voot Select, ZEE5, Shemaroo Me, Hungama, YuppTV, ZeeTV, Colors, News18, Republic TV, TV Today, Firework, Discovery live channels & VOD. The app provides a wide range of content including 400+ LiveTV channels in HD & SD format, 10K movies, TV Shows and short format videos in 16+ Indian languages. Additionally,



the company also has product bundling tie ups with leading content providers like Amazon Prime, Hotstar and SonyLiv, for its premium customers.

Vi has 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 access all the content of Vi Movies & TV app on Vi app. Recently, Vi has also launched own Ad-tech platform called 'Vi Ads', which empowers marketers to engage with Vi users, as per their own targeting requirements, on both, Vi media assets as well as external media channels and publisher partners of Vi Ads.

In line with its focus to offer the best of entertainment services to its customers, the company offers Music streaming service on Vi app for all its customers in association with Hungama. In order to drive deeper engagement on Music, Company will also be launching LIVE EVENTS/concerts in association with Hungama, where Vi users can watch LIVE music concerts by renowned artists virtually on their smartphones. This will be a weekly affair with 52 events in the next 12 months.

The company offers gaming service – Vi Games on Vi app. Vi Games offers a wide variety of individual hyper casual games in partnership with Nazara Technologies, one of the largest gaming platform in India. The service is accessible from Vi App by all Vi users, and consists of android and html5 based games. Very recently, the company has also launched multiplayer or social games under Vi Games. This includes casual games like Ludo, Solitaire, Tambola, Wordle, Cricket, Soccer, etc, which one can play against others or invite friends to play or even participate in ongoing daily tournaments.

Our next offering to Vi users is Vi Jobs & Education on the Vi App. In partnership with 'Apna', we offer priority access to India's largest job listing to all Vi customers at no cost. English fluency increases prospects of getting a job, getting a better salary and progressing in one's career, in certain segments. Vi Jobs & Education in partnership with leading English learning platform 'Enguru' offers 14 days of free trial with unlimited interactive live classes conducted by experts. Government jobs have always been highly sought-after for as long as they have existed in India. Making the process of applying to Government jobs convenient for Vi users, Vi Jobs & Education in partnership with 'Pariksha' offers the aspirants of Central/State Govt. jobs, one month free subscription to 'Pariksha pass'.



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 8,005.2 MHz of spectrum across difference frequency bands out of which 7,975.2 MHz spectrum is liberalised and can be used towards deployment of any technology. This includes the recently (July 2022 auction) acquired mid band 5G spectrum (3300 MHz band) in our 17 priority circles, mmWave 5G spectrum (26 GHz band) in 16 circles and incremental 4G spectrum in 3 circles, which will enable us to offer superior experience to our customers as well as strengthen our enterprise offerings and provide new opportunities for business growth in the emerging 5G era. We thus have a solid portfolio of spectrum across all bands in all our priority circles.

Circle	Spectrum Frequencies							Total FDDx2+TDD
	900	1800	2100	2300	2500	3300	26000	
Andhra Pradesh	5.0	10.0	5.0	-	20.0	50.0	200.0	310.0
Assam	-	25.0	5.0	-	20.0	-	-	80.0
Bihar	-	13.4	5.0	-	10.0	50.0	-	96.8
Delhi	10.0	10.6	5.0	-	20.0	50.0	200.0	321.2
Gujarat	11.0	20.8	10.0	-	30.0	50.0	450.0	613.6
Haryana	12.2	15.8	15.0	-	20.0	50.0	400.0	556.0
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	10.0	-	-	50.0	200.0	310.0
Kerala	12.4	20.0	10.0	10.0	20.0	50.0	800.0	964.8
Kolkata	7.0	15.0	10.0	-	20.0	50.0	200.0	334.0
Madhya Pradesh	7.4	18.6	5.0	10.0	20.0	50.0	400.0	542.0
Maharashtra	14.0	12.4	15.0	10.0	30.0	50.0	400.0	572.8
Mumbai	11.0	10.2	10.0	-	20.0	50.0	200.0	332.4
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	-	20.0	50.0	300.0	431.2
Rajasthan	6.4	10.0	15.0	-	20.0	50.0	300.0	432.8
Tamil Nadu	5.0	11.4	15.0	-	-	50.0	300.0	412.8
Uttar Pradesh (East)	5.6	10.0	20.0	-	20.0	50.0	250.0	391.2
Uttar Pradesh (West)	5.0	15.0	10.0	-	20.0	50.0	350.0	480.0
West Bengal	7.4	23.4	5.0	-	20.0	50.0	400.0	541.6
Total Liberalised Spectrum	135.0	342.6	200.0	30.0	390.0	850.0	5,350.0	7,975.2
Non-Liberalised Spectrum	6.2	8.8	-	-	-	-	-	30.0
Grand Total	141.2	351.4	200.0	30.0	390.0	850.0	5,350.0	8,005.2

Large Customer Base

Vodafone Idea had 234.4 million subscribers as of September 30, 2022. As the company continues to expand its broadband coverage and capacity, 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 184,750 unique locations and has over 444,200 broadband (3G+4G) sites. Its 4G population coverage is over 1 billion Indians as of September 30, 2022. The company has a portfolio of nearly 291,900 km of OFC including own built, IRU OFC and excluding overlapping routes. The site expansion, coupled with the deployment of TDD sites, DSR, Small Cells and Massive MIMO has enabled further capacity enhancement.

Strong Brand

The brand **VI** 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.

In line with the company's strategy of accelerating unlimited base & 4G adoption through differentiated product offerings, VIL continued to promote the Hero unlimited pack for prepaid users which highlighted the benefits of Unlimited night data, weekend data rollover across TV & digital. A one of a kind integration was done with Kaun Banega Crorepati introducing 'KBC Golden Week with Vi' giving Vi consumers a chance to sit at the coveted hot seat.

Vi is building a competitive advantage by increasing customer engagement and heralding a new Digital Ecosystem with the introduction of Music, Games, Jobs & Education services. In a cricket crazy country and the biggest sporting event, your company engaged with users through Fan of The Match and stayed one of the buzziest brand of the IPL this season.

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 the last several years. The strong relationship with customers and global know-how of Vodafone Group provide a strong platform for future growth in this segment. The wide range of Enterprise solutions are powered by GIGANet on a 5G ready infrastructure.

Vi Business continues to maintain strong positioning in IoT offerings which is an emerging segment and has the potential to grow multifold in the near future amid Government's push towards 'Digital India' and 'Smart Cities'. As the leader in Smart Utility, Vi Business is powering 2 in every 3 smart meters in India and aims to strengthen the country's power distribution sector through innovative IoT solutions.



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. 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. With unique features like data pooling, Vi Business Plus provides superior customer experience, with seamless and uninterrupted high speed data. Vi Business Plus also 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.

The company's technology leadership in IoT eSIM and Mobility eSIM has been globally recognized by Counterpoint in their L.E.A.D.E.R benchmark for eSIM ecosystem. Vi Business has also been recognized by Frost & Sullivan for Indian Cellular IOT Connectivity Service Provider Company of the Year 2022 and Indian SIP Trunking Technology Innovation Leadership Award 2022. 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 CIO Choice 2022, on the basis of an extensive pan-India CIO referral voting process that spans across industry verticals.

In the recently concluded India Mobile Congress (IMC 2022), the company showcased a wide range of real world 5G solutions for enterprises as well as consumers, in partnership with leading technology companies and other domain leaders on Vi 5G Live network. The 5G use cases demonstrated include Public Safety, Connected Healthcare with Smart Ambulance, Private Networks, Industry 4.0 with IoT powered Autonomous Guided Vehicles.



3. Financial Highlights

A. Profit & Loss Account (Rs mn)

Particulars	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Gross Revenue	94,064	97,173	102,395	104,101	106,146
Opex	55,435	59,008	55,905	60,817	65,171
EBITDA	38,629	38,165	46,490	43,284	40,975
EBITDA Margin	41.1%	39.3%	45.4%	41.6%	38.6%
Depreciation & Amortisation	59,227	57,388	59,130	58,043	56,557
EBIT	(20,598)	(19,223)	(12,640)	(14,759)	(15,582)
Interest and Financing Cost (net)	50,823	52,903	52,839	58,174	60,331
Share of Profit/(Loss) from JV & associates	3	1	3	4	(1)
Exceptional Items					
- Impairment (non-cash)	-	-	(137)	-	-
- Other Exceptional Items	135	(134)	-	-	-
PBT	(71,283)	(72,259)	(65,613)	(72,929)	(75,914)
Tax Expenses	40	50	18	38	41
PAT	(71,323)	(72,309)	(65,631)	(72,967)	(75,955)
Other comprehensive income (net of Tax)	(123)	(32)	182	10	30
Total comprehensive income for the period	(71,446)	(72,341)	(65,449)	(72,957)	(75,925)



B. Balance Sheet (Rs mn)

Particulars	As on	
	31-Mar-22	30-Sep-22
Assets		
Non-current assets		
Property, plant and equipment (including RoU assets)	536,327	649,427
Capital work-in-progress	3,239	4,607
Intangible assets	1,031,859	1,007,809
Intangible assets under development	404	172,204
Investments accounted for using the equity method	53	56
Financial assets		
Other non-current financial assets	88,492	88,417
Deferred Tax Assets (net)	60	86
Other non-current assets	111,502	110,150
Total non-current assets (A)	1,771,936	2,032,756
Current assets		
Inventories	23	15
Financial assets		
Current investments	-	-
Trade receivables	24,439	26,532
Cash and cash equivalents	14,532	1,879
Bank balance other than cash and cash equivalents	20,434	6,398
Loans to joint ventures and others	-	-
Other current financial assets	756	657
Current Tax Assets (Net)	6,031	
Other current assets	102,140	109,957
Total current assets (B)	168,355	145,438
Assets classified as held for sale (C)		
Total Assets (A+B+C)	1,940,291	2,178,194
Equity and liabilities		
Equity		
Equity share capital	321,188	321,188
Other equity	(940,836)	(1,085,356)
Total equity (A)	(619,648)	(764,168)
Non-Current Liabilities:		
Financial liabilities		
Long term borrowings		
Loans from banks and others	28,363	12,358
Deferred payment obligations	1,731,145	1,954,178
Trade payables	852	875
Lease liabilities	114,325	261,136
Other non-current financial liabilities	68,461	92,551
Long term provisions	384	463
Deferred tax liabilities (net)	-	-
Other non-current liabilities	5,070	4,679
Total Non-Current Liabilities (B)	1,948,600	2,326,240
Current Liabilities:		
Financial liabilities		
Short term borrowings	149,669	141,502
Trade payables	131,699	150,298
Lease liabilities	114,109	112,590
Other current financial liabilities	139,606	136,093
Other current liabilities	76,018	75,304
Short term provisions	238	335
Total Current Liabilities (C)	611,339	616,122
Total equity and liabilities (A+B+C)	1,940,291	2,178,194



4. Key Performance Indicators

Mobility KPIs	Unit	Vodafone Idea					
		Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Subscriber Base (EoP)	mn	255.4	253.0	247.2	243.8	240.4	234.4
VLR Subscribers (EoP)	mn	241.7	235.7	229.5	226.1	218.7	212.2
Pre-paid Subs (% of EoP subscribers)	%	92.1%	92.1%	92.0%	91.8%	91.6%	91.1%
Average Revenue per User (ARPU) Blended	INR	104	109	115	124	128	131
Average Minutes of Use per User (MoU)	min	641	630	620	610	620	599
Blended Churn	%	3.5%	2.9%	3.4%	3.4%	3.5%	4.3%
2G Coverage - No. of Census Towns and Villages	no.	487,173	487,173	487,173	487,173	487,173	487,173
2G Coverage - Population	mn	1,218	1,218	1,218	1,218	1,218	1,218
Broadband Coverage - No. of Census Towns and Villages	no.	332,684	334,749	337,353	338,427	338,366	339,165
Broadband Coverage - Population	mn	1,023	1,027	1,029	1,030	1,031	1,035
4G Coverage - Population	mn	1,007	1,012	1,015	1,017	1,017	1,022
Total Unique Towers (EoP)	no.	180,674	183,886	184,579	184,794	184,607	184,756
Total Unique Broadband Towers (EoP)	no.	166,241	167,548	168,238	169,016	169,153	169,771
Total Broadband sites (3G+4G)	no.	447,114	450,481	450,330	455,264	454,727	444,228
Total Minutes of Use	bn	504	480	465	452	450	428
Total Data Volume (2G+3G+4G)	bn MB	5,497	5,517	5,242	5,237	5,425	5,718
Total Data Subscribers (2G+3G+4G)	mn	136.1	136.7	135.8	135.7	135.7	135.2
4G Subscribers	mn	112.9	116.2	117.0	118.1	119.0	120.6
Average Data Usage by 4G Subscriber	MB	15,081	14,809	14,008	14,195	14,625	15,365



5. Management Discussion and Analysis

Financial highlights

Revenue for the quarter stands at Rs. 106.1 billion, a QoQ improvement of 2.0%. On a YoY basis, revenue growth was strong at 12.8%. EBITDA for the quarter was Rs. 41.0 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. 19.4 billion and Rs. 0.4 billion on Network expenses and Other expenses respectively. EBITDA excluding IndAS116 impact improved to Rs. 21.2 billion, compared to Rs. 21.1 billion in Q1FY23 driven primarily by higher revenue and savings in spectrum usage charges offset by higher network expenses and customer acquisition costs.

Further, Depreciation & Amortisation expenses and Finance costs (Net) for the quarter are Rs. 56.6 billion and Rs. 60.3 billion respectively. Excluding the impact of Ind AS 116, the Depreciation & Amortisation expenses and Finance costs (Net) for the quarter stands at Rs. 43.3 billion and Rs. 51.1 billion.

Capex spend for the quarter stands at Rs. 12.1 billion vs Rs. 8.4 billion in Q1FY23.

The total gross debt (excluding lease liabilities and including interest accrued but not due) as of September 30, 2022 stands at Rs. 2,203.2 billion, comprising of deferred spectrum payment obligations of Rs. 1,366.5 billion (including Rs. 172.6 billion towards spectrum acquired in recent spectrum auction) and AGR liability of Rs. 685.9 billion that are due to the Government, and debt from banks and financial institutions of Rs. 150.8 billion. Cash & cash equivalents were Rs. 1.9 billion with that net debt stood at Rs. 2,201.3 billion.

Operational highlights

We continue to focus on expanding our high speed broadband network coverage and capacity. We also continue to refarm 2G/3G spectrum to expand our 4G coverage and capacity as well as upgrade our core and transmission network. We have shut down ~19,000 3G sites during the quarter while we added ~8,500 4G sites. Our overall broadband site count stood at 444,228 as of September 30, 2022. Till date, we have deployed ~74,300 TDD sites in addition to the deployment of ~13,800 Massive MIMO sites and ~13,200 small cells. Further, we continue to expand our LTE 900 presence in 14 circles at multiple locations, including through dynamic spectrum refarming, to improve customer experience. Our 4G network covers over 1 billion Indians as of September 30, 2022 (4G coverage is the population reached/covered by VIL with its 4G network).



These network investment initiatives continue to deliver a significant uplift to our overall data capacity. Our relentless pursuit to have a superior 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 20 out of 23 months between November 2020 and September 2022.

On 5G front, we showcased a wide range of real world 5G solutions for enterprises as well as consumers, in partnership with leading technology companies and other domain leaders, on Vi 5G Live network at the recently held India Mobile Congress 2022 in New Delhi. Vi 5G use cases are designed to catalyse digital economy growth by ushering industry 4.0 for enterprise efficiency and productivity, and provide for smarter and safer solutions for our cities, businesses and citizens. Vi also demonstrated industry first Cloud Gaming experience on Vi 5G, as well as various social transformation initiatives in areas of Agriculture, Health, Education and Public Safety.

Our unified brand "Vi", celebrated its second anniversary in September 2022, and has already garnered strong awareness and continues to build brand affinity across all customer segments in the country.

ARPU improved to Rs. 131, up 2.0% QoQ vs Rs. 128 in Q1FY23. On a YoY basis, ARPU witnessed strong growth of 19.5% aided by tariff hikes and migration of subscribers to unlimited plans. The subscriber base declined to 234.4 million vs 240.4 million in Q1FY23. However, the 4G subscriber base continued to grow and with 1.5 million 4G customers added in Q2, 4G subscriber base now stands at 120.6 million. We continue to see high data usage per broadband customer at ~15.0 GB/month with the total data traffic witnessing healthy sequential growth of 5.4%. Blended subscriber churn for the quarter was higher at 4.3% vs 3.5% in Q1FY23.

In line with our digital offering strategy, we continue to add to our array of content offerings, digital products and services through partnerships. Recently, we have launched our own Ad-tech platform called "Vi Ads" which empowers marketers to engage with Vi users, as per their own targeting requirements, on both, Vi media assets as well as external media channels and publisher partners of Vi Ads. Further, in association with Hungama Music, we are also launching LIVE EVENTS/concerts where Vi users can watch LIVE music concerts by renowned artists virtually on their smartphones.

Spectrum Auction

In the recently concluded spectrum auction, we acquired mid band 5G spectrum (3300 MHz band) in our 17 priority circles, mmWave 5G spectrum (26 GHz band) in 16 circles and incremental 4G spectrum in 3 circles of Andhra Pradesh, Karnataka and Punjab. The total commitment for the spectrum acquired



in this auction is Rs. 187.9 billion, with annual instalment of Rs. 16.8 billion over 20 years. Payment of first annual instalment has been made post which spectrum has been allocated.

Issuance of OCDs to ATC India

ATC India is one of the largest infrastructure service provider for the company and both entities have a strong long-term relationship. In the spirit of this partnership, we are pleased to announce that ATC India has agreed to subscribe to Optionally Convertible Debentures (OCDs) amounting to Rs. 16 billion. These funds will be used to pay certain agreed amounts owed to ATC India under the master lease agreements and, to the extent of remainder, for general corporate purposes. The issuance of OCDs would be subject to certain conditions precedent, including the approval by VIL shareholders and conversion of the interest from deferment of Adjusted Gross Revenue and spectrum dues, into equity, by Government of India.

The engagement, cooperation and support through this transaction reflects ATC India's underlying confidence in the company and its plans. Both parties remain committed to develop a top quality nationwide 4G & 5G network as well as contribute towards India's digital transformation. We believe that this step will facilitate further capital raise by the company.



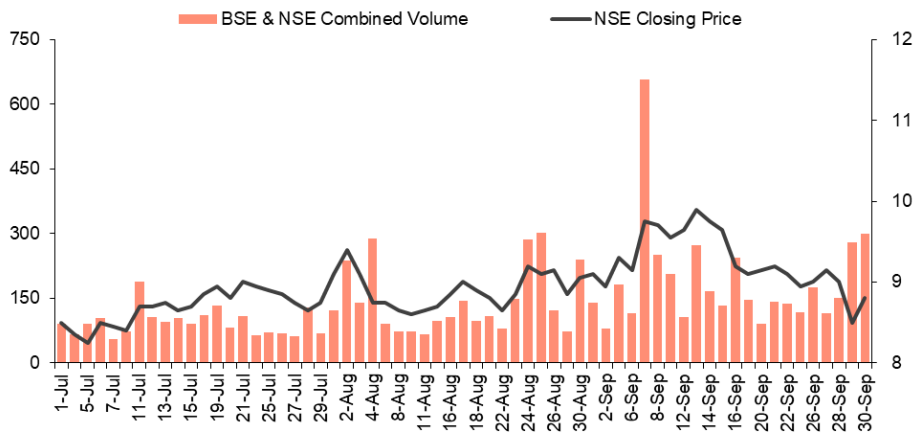
6. Stock Market Highlights

General Information		
BSE Code		532822
NSE Symbol		IDEA
Reuters		IDEANS
No of Shares Outstanding (30/09/2022)	mn	32118.8
Closing Market Price - NSE (30/09/2022)	INR/share	8.80
Combined Volume (NSE & BSE) (01/07/2022 to 30/09/2022)	mn/day	143.9
Combined Value (NSE & BSE) (01/07/2022 to 30/09/2022)	INR mn/day	1311.1
Market Capitalisation (30/09/2022)	INR bn	283
Enterprise Value (30/09/2022)	INR bn	2484

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 September 30, 2022	
	No. of Shares	% holding
Promoter and Promoter Group		
Aditya Birla Group	8,794,206,288	27.38%
Vodafone Group	15,293,170,439	47.61%
Total Promoter Holding	24,087,376,727	74.99%
Public Shareholding		
Institutional Holding	1,350,645,947	4.21%
Non-Institutional Holding	6,680,825,211	20.80%
Total	32,118,847,885	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 commonly known as 2G
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
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



Definitions/Abbreviation	Description/Full Form
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



For any clarification kindly contact
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