



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/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 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

Date: 14th August, 2021
Place: Gurugram

Ravinder Takkar
Managing Director & Chief Executive Officer



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(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.
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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.

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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)

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- 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