



26 October 2023

**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 Second Quarter and Half Year Ended 30<sup>th</sup> September 2023 – Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) 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 second quarter and half year ended 30<sup>th</sup> September, 2023, together with the Limited Review Report of the Statutory Auditors’ thereon.

The aforesaid results have been approved by the Board of Directors of the Company at the meeting held today, which commenced at 3:00 P.M. and concluded at 7:00 P.M.

A copy of Press Release being 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

**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****Review Report 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 September 30, 2023 and year to date from April 01, 2023 to September 30, 2023 (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. The Holding Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. 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 and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## 6. Material Uncertainty Related to Going Concern

We draw attention to Note 3 to the financial results, which describes the Group's financial condition as of September 30, 2023 and its debt obligations due for the next 12 months. The Group's financial performance has impacted its ability to generate the cash flow that it needs to settle/refinance its liabilities as they fall due.

The Group's ability to continue as a going concern is dependent on its ability to raise additional funds as required and successful negotiations with lenders and vendors for continued support and generation of cash flow from its operations that it needs to settle its liabilities 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 loss and total comprehensive loss of Rs.12 million and Rs.18 million for the quarter ended September 30, 2023 and year to date from April 01, 2023 to September 30, 2023 respectively, as considered in the unaudited consolidated financial results in respect of one 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: 23058814BGYZSD8095

Place: Mumbai

Date: October 26, 2023

# **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

### **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, Gandhinagar-382011, CIN-L32100GJ1996PLC030976  
 Unaudited Consolidated Financial Results for the quarter and six months ended 30-September-2023



(Rs. Mn, except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	30-September-23 Unaudited	30-June-23 Unaudited	30-September-22 Unaudited	30-September-23 Unaudited	30-September-22 Unaudited	31-March-23 Audited
<b>INCOME</b>						
Service Revenue	107,146	105,958	106,105	213,104	210,173	421,339
Sale of Trading Goods	8	146	15	154	28	87
Other Operating Income	9	451	26	460	46	346
<b>REVENUE FROM OPERATIONS</b>	<b>107,163</b>	<b>106,555</b>	<b>106,146</b>	<b>213,718</b>	<b>210,247</b>	<b>421,772</b>
Other Income	345	213	960	558	1,795	3,113
<b>TOTAL INCOME</b>	<b>107,508</b>	<b>106,768</b>	<b>107,106</b>	<b>214,276</b>	<b>212,042</b>	<b>424,885</b>
<b>EXPENSES</b>						
Cost of Trading Goods	7	128	15	135	24	78
Employee Benefit Expenses	5,348	5,003	4,430	10,351	8,977	18,663
Network Expenses and IT Outsourcing Costs	25,065	25,375	27,235	50,440	50,730	100,783
License Fees and Spectrum Usage Charges	9,269	9,157	10,372	18,426	21,682	40,021
Roaming & Access Charges	10,644	10,086	9,818	20,730	18,684	38,991
Marketing, Content, Customer Acquisition & Service Costs	11,631	12,938	11,011	24,569	20,868	46,192
Finance Costs	65,690	63,982	61,291	129,672	120,300	233,543
Depreciation & Amortisation Expenses	56,673	56,165	56,557	112,838	114,600	230,497
Other Expenses	2,371	2,298	2,290	4,669	5,023	8,874
<b>TOTAL EXPENSES</b>	<b>186,698</b>	<b>185,132</b>	<b>183,019</b>	<b>371,830</b>	<b>360,888</b>	<b>717,642</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS, TAX AND SHARE IN PROFIT / (LOSS) OF JOINT VENTURES AND ASSOCIATE</b>	<b>(79,190)</b>	<b>(78,364)</b>	<b>(75,913)</b>	<b>(157,554)</b>	<b>(148,846)</b>	<b>(292,757)</b>
Add: Share in Profit/(Loss) of Joint Ventures and Associate (net)	(12)	(6)	(1)	(18)	3	5
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>	<b>(79,202)</b>	<b>(78,370)</b>	<b>(75,914)</b>	<b>(157,572)</b>	<b>(148,843)</b>	<b>(292,752)</b>
Exceptional Items (net)	-	-	-	-	-	(224)
<b>PROFIT/ (LOSS) BEFORE TAX</b>	<b>(79,202)</b>	<b>(78,370)</b>	<b>(75,914)</b>	<b>(157,572)</b>	<b>(148,843)</b>	<b>(292,976)</b>
<b>Tax expense:</b>						
- Current Tax (includes amount referred in note 4)	8,170	29	55	8,199	106	115
- Deferred Tax	7	1	(14)	8	(27)	(80)
<b>PROFIT / (LOSS) AFTER TAX</b>	<b>(87,379)</b>	<b>(78,400)</b>	<b>(75,955)</b>	<b>(165,779)</b>	<b>(148,922)</b>	<b>(293,011)</b>
<b>Items not to be reclassified to profit or loss in subsequent periods:</b>						
- Re-measurement gains/ (losses) of defined benefit plans	(89)	29	31	(60)	41	115
- Income tax effect on re-measurement gains/ (losses) of defined benefit plans	2	(1)	(1)	1	(1)	(4)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<b>(87,466)</b>	<b>(78,372)</b>	<b>(75,925)</b>	<b>(165,838)</b>	<b>(148,882)</b>	<b>(292,900)</b>
Paid up Equity Share Capital (Face value Rs. 10 per share)	486,797	486,797	321,188	486,797	321,188	486,797
Other Equity						(1,230,388)
Earnings Per Share for the period (Rs.)						
- Basic	(1.79)	(1.61)	(2.34)	(3.41)	(4.61)	(8.43)
- Diluted	(1.79)	(1.61)	(2.34)	(3.41)	(4.61)	(8.43)



## Notes

1. The above unaudited consolidated financial results of Vodafone Idea Limited and its subsidiaries (the Group), joint venture and associate, 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 26<sup>th</sup> October, 2023.
2. Pursuant to the cabinet reforms on telecom and the resultant moratorium on spectrum installment (excluding the auctions of 2021, 2022) and on AGR demands till FY 16-17 (affidavit period), following which, the Company had conveyed its acceptance for the conversion option and allotted equity shares to the Government of India during the previous year. Also, the AGR demands beyond the affidavit period i.e. FY 17-18 and FY 18-19, which are also part of the four year moratorium but without availment of equity conversion option of the interest related to such deferment are subject to further correction/revision on account of disposal of representations and any other outcome of litigation. The undisputed amounts as finally determined by 31<sup>st</sup> December, 2025 shall be paid in six equal instalments post the moratorium period. The review petition already filed with the Hon'ble Supreme Court to hear the modification application on correction of manifest / clerical / arithmetic errors in the computation of AGR demands for the years covered in the judgement is pending to be heard.
3. The Group has incurred a loss of Rs. 165,779 Mn for the six months ended 30<sup>th</sup> September, 2023. Its net worth stands at negative Rs. 909,429 Mn and the Net Working Capital (excluding short term borrowings, future lease liability and certain accruals toward pending litigations) stands at negative Rs. 217,896 Mn.

As at 30<sup>th</sup> September, 2023, the total debt (including interest accrued but not due) of the Group stands at Rs. 2,127,846 Mn. As at 30<sup>th</sup> September, 2023, an amount of Rs. 31,896 Mn (31<sup>st</sup> March, 2023: Rs. 39,271 Mn) has been reclassified from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses under the financial agreements. The Group has exchanged correspondences and continues to be in discussion with the lenders for next steps/waivers. The existing debt as payable by 30<sup>th</sup> September, 2024 is Rs. 71,740 Mn (excluding amount classified as current on account of not meeting certain covenant clauses). As of date, the Group has met all its debt obligations payable to its lenders / banks and financial institutions along with applicable interest. The Company has utilized extended credit period to discharge some of its contractual obligations. Further, certain vendors have asked for payment of their overdue outstanding. The Company continues to be in discussion with them to agree to a payment plan. Further, one of the promoters has confirmed that it would provide financial support to the extent of Rs. 20,000 Mn.

The Group's ability to continue as a going concern is dependent on raising additional funds as required, successful negotiations with lenders and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. Pending the outcome of the above matters, these consolidated financial results have been prepared on a Going Concern basis.

4. On 16<sup>th</sup> October, 2023, the Hon'ble Supreme Court of India pronounced a judgement regarding the tax treatment of annual Revenue Share License Fee (RSLF) paid to DOT since July 1999 and held that it merits the same tax treatment as the upfront fee that is paid at the time of acquisition of a telecom license. The Company has been treating RSLF as revenue expenses for the purpose of taxation. This decision does not result in a permanent disallowance but leads to a staggered allowance of RSLF over the balance period of the license resulting into lower taxable deduction in the initial years of a license and a higher deduction in the later period of the license. Over the years, the Company has acquired various licenses from DoT and also acquired companies having telecom licenses and merged these entities into the Company resulting in cancellation of licenses pertaining to those entities on merger. Based on initial evaluation, after considering the allowable deductions for the period and on a best estimate basis, a tax provision of Rs. 8,220 Mn and applicable interest have been considered during the quarter ended 30<sup>th</sup> September, 2023.
5. The Group operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segments.
6. Financial results of Vodafone Idea Limited (Standalone) :-

Rs. Mn

Particulars	Quarter ended			Six months ended		Year ended
	30-September-23	30-June-23	30-September-22	30-September-23	30-September-22	31-March-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	106,514	105,757	105,464	212,271	208,893	419,171
Profit / (Loss) before Tax	(79,058)	(78,389)	(75,628)	(157,447)	(148,345)	(293,078)
Net Profit / (Loss) after Tax	(87,278)	(78,389)	(75,628)	(165,667)	(148,345)	(293,078)



## 7. Statement of Assets and Liabilities :-

Rs. Mn

Particulars	As at September 30, 2023 Unaudited	As at March 31, 2023 Audited
<b>A ASSETS</b>		
<b>1 Non-current Assets</b>		
Property, plant and equipment (including RoU Assets)	564,467	598,211
Capital work-in-progress	4,943	3,003
Intangible assets	921,144	964,341
Intangible assets under development	176,081	175,761
Investments accounted for using the equity method	40	58
Financial assets		
Other non-current financial assets	71,107	88,501
Deferred tax assets (net)	128	135
Other non-current assets	99,322	103,388
<b>Sub-total non-current assets</b>	<b>1,837,232</b>	<b>1,933,398</b>
<b>2 Current Assets</b>		
Inventories	33	163
Financial assets		
Trade receivables	22,064	21,640
Cash and cash equivalents	1,196	2,288
Bank balance other than cash and cash equivalents	5,048	6,266
Other current financial assets	576	394
Other current assets	107,648	107,785
	<b>136,565</b>	<b>138,536</b>
Assets classified as held for sale (AHFS)	493	493
<b>Sub-total current assets</b>	<b>137,058</b>	<b>139,029</b>
<b>TOTAL – ASSETS</b>	<b>1,974,290</b>	<b>2,072,427</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
Equity share capital	486,797	486,797
Other equity	(1,396,226)	(1,230,388)
<b>Sub-total equity</b>	<b>(909,429)</b>	<b>(743,591)</b>
<b>2 Non-Current Liabilities</b>		
Financial liabilities		
Long term borrowings		
Loans from banks and others	450	9,351
Deferred payment obligations	1,930,229	1,883,550
Lease liabilities	250,075	250,612
Trade payables	804	1,058
Other non-current financial liabilities	90,996	66,623
Long term provisions	223	235
Other non-current liabilities	4,223	4,362
<b>Sub-total non-current liabilities</b>	<b>2,277,000</b>	<b>2,215,791</b>
<b>3 Current Liabilities</b>		
Financial liabilities		
Short term borrowings	103,548	122,959
Lease liabilities	122,212	111,188
Trade payables	150,297	135,364
Other current financial liabilities	141,888	153,557
Other current liabilities	80,796	77,011
Short term provisions	7,978	148
<b>Sub-total current liabilities</b>	<b>606,719</b>	<b>600,227</b>
<b>TOTAL – EQUITY AND LIABILITIES</b>	<b>1,974,290</b>	<b>2,072,427</b>



8. Statement of Cash Flows :-

Rs. Mn

Particulars	For the period ended September 30, 2023 Unaudited	For the period ended September 30, 2022 Unaudited
<b>Operating activities</b>		
<b>Loss before tax</b>	<b>(157,572)</b>	<b>(148,843)</b>
<b>Adjustments to reconcile loss before tax to net cash flows</b>		
Share in loss/(profit) of joint venture and associate (net)	18	(3)
Depreciation of property, plant and equipment (including RoU Assets)	68,938	71,046
Amortisation of intangible assets	43,900	43,554
Share-based payment expense (ESOS)	-	2
(Gain) on disposal of property, plant and equipment and intangible assets (net)	(252)	(298)
Finance costs (including fair value change in financial instruments)	129,672	120,300
Bad debts / advances written off	213	(293)
Allowance for doubtful debts / advances	742	1,687
Liabilities / provisions no longer required written back	(440)	(4)
Other income	(402)	(1,694)
<b>Working capital adjustments</b>		
(Increase) in trade receivables	(1,409)	(3,440)
Decrease in inventories	130	8
Decrease in other financial and non-financial assets	2,395	5,734
Increase in trade payables	8,951	15,359
Increase/(Decrease) in other financial and non-financial liabilities	2,236	(2,612)
<b>Cash flows from operating activities</b>	<b>97,120</b>	<b>100,503</b>
Income tax (paid)/refund (including TDS) (net)	(50)	9,301
<b>Net cash flows from operating activities</b>	<b>97,070</b>	<b>109,804</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development)	(4,329)	(29,548)
Payment towards Spectrum - Upfront payment	-	(16,800)
Payment towards deferred spectrum liability	(4,483)	-
Proceeds from sale of property, plant and equipment and intangible assets	560	363
Net sale of current investments	154	140
Interest received	238	488
Maturity of Fixed deposits with banks having maturity of 3 to 12 months	53	19
<b>Net cash flows (used in) investing activities</b>	<b>(7,807)</b>	<b>(45,338)</b>
<b>Financing activities</b>		
Proceeds from issue of convertible share warrants	-	4,362
Payment of interest and finance charges (including interest on Deferred payment obligations)	(20,818)	(11,899)
Repayment of long term borrowings	(38,206)	(26,265)
Proceeds from short term borrowings	20,000	19,824
Repayment of short term borrowings	(14,824)	(22,500)
Payment of lease liabilities	(36,507)	(40,641)
<b>Net cash flows (used in) financing activities</b>	<b>(90,355)</b>	<b>(77,119)</b>
<b>Net (decrease) in cash and cash equivalents during the period</b>	<b>(1,092)</b>	<b>(12,653)</b>
Cash and cash equivalents at the beginning of the period	2,288	14,532
<b>Cash and cash equivalents at the end of the period</b>	<b>1,196</b>	<b>1,879</b>



9. Previous period figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of

VODAFONE IDEA LIMITED



A handwritten signature in blue ink, appearing to read 'Ravinder Takkar', with a horizontal line extending from the end of the signature.

Ravinder Takkar  
Non-Executive Chairman

Date: 26<sup>th</sup> October, 2023  
Place: Gurugram



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

**Review Report 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 September 30, 2023 and year to date from April 01, 2023 to September 30, 2023 (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. The Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## 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 of September 30, 2023 and its debt obligations due for the 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 as they fall due.

The Company's ability to continue as a going concern is dependent on its ability to raise additional funds as required and successful negotiations with lenders and vendors for continued support and generation of cash flow from its operations that it needs to settle its liabilities 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: 23058814BGYZSC9588

Place: Mumbai

Date: October 26, 2023



## VODAFONE IDEA LIMITED

Regd Office:- Suman Towers, Plot No 18, Sector 11, Gandhinagar-382011, CIN-L32100GJ1996PLC030976

Unaudited Financial Results for the quarter and six months ended 30-September-2023

vodafone  
idea

(Rs. Mn, except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	30-September-23	30-June-23	30-September-22	30-September-23	30-September-22	31-March-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>INCOME</b>						
Service Revenue	106,492	105,296	105,416	211,788	208,806	418,788
Sale of Trading Goods	7	9	15	16	27	53
Other Operating Income	15	452	33	467	60	330
<b>REVENUE FROM OPERATIONS</b>	<b>106,514</b>	<b>105,757</b>	<b>105,464</b>	<b>212,271</b>	<b>208,893</b>	<b>419,171</b>
Other Income	201	168	862	369	1,673	2,707
<b>TOTAL INCOME</b>	<b>106,715</b>	<b>105,925</b>	<b>106,326</b>	<b>212,640</b>	<b>210,566</b>	<b>421,878</b>
<b>EXPENSES</b>						
Cost of Trading Goods	7	9	15	16	27	53
Employee Benefit Expenses	4,834	4,554	3,962	9,388	8,070	16,851
Network Expenses and IT Outsourcing Costs	26,004	26,346	28,073	52,350	52,517	104,071
License Fees and Spectrum Usage Charges	9,245	9,133	10,345	18,378	21,626	39,914
Roaming & Access Charges	10,644	10,086	9,818	20,730	18,684	38,991
Marketing, Content, Customer Acquisition & Service Costs	11,766	13,052	11,142	24,818	21,118	46,707
Finance Costs	65,697	63,997	61,319	129,694	120,342	233,439
Depreciation & Amortisation Expenses	55,107	54,594	54,769	109,701	110,977	223,622
Other Expenses	2,469	2,543	2,511	5,012	5,550	9,825
<b>TOTAL EXPENSES</b>	<b>185,773</b>	<b>184,314</b>	<b>181,954</b>	<b>370,087</b>	<b>358,911</b>	<b>713,473</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>	<b>(79,058)</b>	<b>(78,389)</b>	<b>(75,628)</b>	<b>(157,447)</b>	<b>(148,345)</b>	<b>(291,595)</b>
Exceptional Items (net)	-	-	-	-	-	(1,483)
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>(79,058)</b>	<b>(78,389)</b>	<b>(75,628)</b>	<b>(157,447)</b>	<b>(148,345)</b>	<b>(293,078)</b>
<b>Tax expense:</b>						
- Current Tax (refer note 4)	8,220	-	-	8,220	-	-
- Deferred Tax	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX</b>	<b>(87,278)</b>	<b>(78,389)</b>	<b>(75,628)</b>	<b>(165,667)</b>	<b>(148,345)</b>	<b>(293,078)</b>
<b>Items not to be reclassified to profit or loss in subsequent periods:</b>						
- Re-measurement gains/ (losses) of defined benefit plans	(80)	24	27	(56)	37	95
- Income tax effect on re-measurement gains/ (losses) of defined benefit plans	-	-	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<b>(87,358)</b>	<b>(78,365)</b>	<b>(75,601)</b>	<b>(165,723)</b>	<b>(148,308)</b>	<b>(292,983)</b>
Paid up Equity Share Capital (Face value Rs. 10 per share)	486,797	486,797	321,188	486,797	321,188	486,797
Other Equity						(1,225,185)
Earnings/(Loss) Per Share for the period (Rs.)						
- Basic	(1.79)	(1.61)	(2.33)	(3.40)	(4.60)	(8.43)
- Diluted	(1.79)	(1.61)	(2.33)	(3.40)	(4.60)	(8.43)



## 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 26<sup>th</sup> October, 2023.
2. Pursuant to the cabinet reforms on telecom and the resultant moratorium on spectrum installment (excluding the auctions of 2021, 2022) and on AGR demands till FY 16-17 (affidavit period), following which, the Company had conveyed its acceptance for the conversion option and allotted equity shares to the Government of India during the previous year. Also, the AGR demands beyond the affidavit period i.e. FY 17-18 and FY 18-19, which are also part of the four year moratorium but without availment of equity conversion option of the interest related to such deferment are subject to further correction/revision on account of disposal of representations and any other outcome of litigation. The undisputed amounts as finally determined by 31st December, 2025 shall be paid in six equal instalments post the moratorium period. The review petition already filed with the Hon'ble Supreme Court to hear the modification application on correction of manifest / clerical / arithmetic errors in the computation of AGR demands for the years covered in the judgement is pending to be heard.
3. The Company has incurred a loss of Rs. 165,667 Mn for the six months ended 30<sup>th</sup> September, 2023. Its net worth stands at negative Rs. 904,111 Mn and the Net Working Capital (excluding short term borrowings, future lease liability and certain accruals toward pending litigations) stands at negative Rs. 175,386 Mn.

As at 30<sup>th</sup> September, 2023, the total external debt (including interest accrued but not due) of the Company stands at Rs. 2,127,846 Mn. As at 30<sup>th</sup> September, 2023, an amount of Rs. 31,896 Mn (31<sup>st</sup> March, 2023: Rs. 39,271 Mn) has been reclassified from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses under the financial agreements. The Company has exchanged correspondences and continues to be in discussion with the lenders for next steps/waivers. The existing debt as payable by 30<sup>th</sup> September, 2024 is Rs. 71,740 Mn (excluding amount classified as current on account of not meeting certain covenant clauses). As of date, the Company has met all its debt obligations payable to its lenders / banks and financial institutions along with applicable interest. The Company has utilized extended credit period to discharge some of its contractual obligations. Further, certain vendors have asked for payment of their overdue outstanding. The Company continues to be in discussion with them to agree to a payment plan. Further, one of the promoters has confirmed that it would provide financial support to the extent of Rs. 20,000 Mn.

The Company's ability to continue as a going concern is dependent on raising additional funds as required, successful negotiations with lenders and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. Pending the outcome of the above matters, these financial results have been prepared on a Going Concern basis.

4. On 16<sup>th</sup> October, 2023, the Hon'ble Supreme Court of India pronounced a judgement regarding the tax treatment of annual Revenue Share License Fee (RSLF) paid to DOT since July 1999 and held that it merits the same tax treatment as the upfront fee that is paid at the time of acquisition of a telecom license. The Company has been treating RSLF as revenue expenses for the purpose of taxation. This decision does not result in a permanent disallowance but leads to a staggered allowance of RSLF over the balance period of the license resulting into lower taxable deduction in the initial years of a license and a higher deduction in the later period of the license. Over the years, the Company has acquired various licenses from DoT and also acquired companies having telecom licenses and merged these entities into the Company resulting in cancellation of licenses pertaining to those entities on merger. Based on initial evaluation, after considering the allowable deductions for the period and on a best estimate basis, a tax provision of Rs. 8,220 Mn and applicable interest have been considered during the quarter ended 30<sup>th</sup> September, 2023.
5. The Company operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segments.



## 6. Statement of Assets and Liabilities: -

Rs. Mn

Particulars	As at September 30, 2023 Unaudited	As at March 31, 2023 Audited
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
Property, plant and equipment (including RoU Assets)	524,228	555,482
Capital work-in-progress	4,048	2,417
Intangible assets	921,140	964,329
Intangible assets under development	176,081	175,761
Financial assets		
Non-current investments	1,626	1,626
Other non-current financial assets	71,577	88,942
Other non-current assets	98,810	102,491
<b>Sub-total non-current assets</b>	<b>1,797,510</b>	<b>1,891,048</b>
<b>2 Current assets</b>		
Inventories	4	4
Financial assets		
Trade receivables	21,650	21,245
Cash and cash equivalents	1,089	2,216
Bank balance other than cash and cash equivalents	4,136	5,500
Loans to subsidiaries and joint venture	2,611	2,791
Other current financial assets	39,919	42,259
Other current assets	107,071	107,175
	<b>176,480</b>	<b>181,190</b>
Assets classified as held for sale (AHFS)	493	493
<b>Sub-total current assets</b>	<b>176,973</b>	<b>181,683</b>
<b>TOTAL – ASSETS</b>	<b>1,974,483</b>	<b>2,072,731</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
Equity share capital	486,797	486,797
Other equity	(1,390,908)	(1,225,185)
<b>Sub-total equity</b>	<b>(904,111)</b>	<b>(738,388)</b>
<b>2 Non-current liabilities</b>		
Financial liabilities		
Long term borrowings		
Loans from banks and others	450	9,351
Deferred payment obligations	1,930,229	1,883,550
Lease liabilities	249,749	250,556
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	802	1,054
Other non-current financial liabilities	90,996	66,623
Long term provisions	49	71
Other non-current liabilities	725	621
<b>Sub-total non-current liabilities</b>	<b>2,273,000</b>	<b>2,211,826</b>
<b>3 Current liabilities</b>		
Financial liabilities		
Short term borrowings	105,866	125,304
Lease liabilities	122,097	111,067
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	1,577	1,114
Total outstanding dues of creditors other than micro enterprises and small enterprises	150,666	135,998
Other current financial liabilities	138,745	150,645
Other current liabilities	78,720	75,051
Short term provisions	7,923	114
<b>Sub-total current liabilities</b>	<b>605,594</b>	<b>599,293</b>
<b>TOTAL – EQUITY AND LIABILITIES</b>	<b>1,974,483</b>	<b>2,072,731</b>



## 7. Statement of Cash Flows: -

Rs. Mn

Particulars	For the period ended September 30, 2023 Unaudited	For the period ended September 30, 2022 Unaudited
<b>Operating activities</b>		
<b>Loss before tax</b>	<b>(157,447)</b>	<b>(148,345)</b>
<b>Adjustments to reconcile loss before tax to net cash flows</b>		
Depreciation of property, plant and equipment (including RoU assets)	65,809	67,634
Amortisation of intangible assets	43,892	43,343
Share-based payment expense (ESOS)	-	2
(Gain) on disposal of property, plant and equipment and intangible assets (net)	(252)	(247)
Finance costs (including fair value change in financial instruments)	129,694	120,342
Bad debts/advances written off	203	(293)
Allowance for doubtful debts / advances	735	1,453
Liabilities/provisions no longer required written back	(432)	(4)
Other income	(369)	(1,673)
<b>Working capital adjustments</b>		
(Increase) in trade receivables	(1,377)	(3,310)
Decrease in inventories	-	1
Decrease in other financial and non-financial assets	2,516	5,939
Increase in trade payables	9,148	15,967
Increase/(Decrease) in other financial and non-financial liabilities	2,216	(2,607)
<b>Cash flows from operating activities</b>	<b>94,336</b>	<b>98,202</b>
Income tax (paid) / refund (including TDS) (net)	(500)	9,423
<b>Net cash flows from operating activities</b>	<b>93,836</b>	<b>107,625</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development)	(3,788)	(28,631)
Payment towards Spectrum - Upfront payment	-	(16,800)
Payment towards deferred spectrum liability	(4,483)	-
Proceeds from sale of property, plant and equipment and intangible assets	553	313
Proceeds towards Business consideration receivables	2,534	970
Net sale of current investments	154	140
Loans given to subsidiaries	(25)	(21)
Repayment of loan given to subsidiaries and joint venture	215	100
Interest received	226	481
<b>Net cash flows (used in) investing activities</b>	<b>(4,614)</b>	<b>(43,448)</b>
<b>Financing activities</b>		
Proceeds from issue of convertible share warrants	-	4,362
Payment of interest and finance charges (including interest on Deferred payment obligations)	(20,847)	(11,964)
Payment of lease liabilities	(36,445)	(40,589)
Repayment of long term borrowings	(38,206)	(26,265)
Proceeds from short term borrowings	20,157	20,065
Repayment of short term borrowings	(15,008)	(22,500)
<b>Net cash flows (used in) financing activities</b>	<b>(90,349)</b>	<b>(76,891)</b>
<b>Net (decrease) in cash and cash equivalents during the period</b>	<b>(1,127)</b>	<b>(12,714)</b>
Cash and cash equivalents at the beginning of the period	2,216	14,144
<b>Cash and cash equivalents at the end of the period</b>	<b>1,089</b>	<b>1,430</b>



8. Previous period figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of

VODAFONE IDEA LIMITED



A handwritten signature in blue ink, appearing to read "Ravinder Takkar".

Ravinder Takkar  
Non-Executive Chairman

Date: 26<sup>th</sup> October, 2023  
Place: Gurugram





## Another quarter of consecutive revenue growth; Subscriber upgrade to 4G continues

### Highlights for the Quarter

- Revenue up 0.6% QoQ to Rs. 107.2 billion supported by improving subscriber mix and 4G subscriber additions
- EBITDA (pre-Ind AS 116) for the quarter improved from Rs. 20.2 billion in Q1FY24 to Rs. 20.6 billion
- ARPU for the quarter stood at Rs. 142 vs Rs. 139 in Q1FY24 (QoQ growth of 2.1%)
- 4G subscriber base increased to 124.7 million vs 122.9 million in Q1FY24
- Continued network capacity expansion supported by spectrum refarming and network upgrade
- Vi offered best voice quality as per TRAI “MyCall” App data for 30 out of 35 months between November 2020 and September 2023

### Financial Highlights

<b>Consolidated (Rs Mn)</b>	<b>Q1FY24</b>	<b>Q2FY24</b>
Revenue	106,555	107,163
EBITDA	41,570	42,828
EBITDA%	39.0%	40.0%
Depreciation & Amortisation	56,165	56,673
EBIT	(14,595)	(13,845)
Interest and Financing Cost (Net )	63,769	65,345
Share of Profit/(Loss) from JV & associates	(6)	(12)
PBT	(78,370)	(79,202)
<b>PAT</b>	<b>(78,400)</b>	<b>(87,379)</b>
Other Comprehensive Income (net of Tax)	28	(87)
<b>Total Comprehensive Income (Consolidated)</b>	<b>(78,372)</b>	<b>(87,466)</b>

Akshaya Moondra, CEO, Vodafone Idea Limited, said “We are pleased to report another quarter of consecutive revenue growth, improvement in ARPU and 4G subscriber additions. We have also revamped our customer offerings over last few quarters to make our offerings more relevant to the customers with the changing customer needs and evolving industry landscape. We remain focused on our execution to effectively compete in the market. We remain engaged with our lenders for further debt fund raising as well as with other parties for equity and equity linked fund raising, to make required investments for network expansion, including 5G rollout.”



## **Financial highlights**

Revenue for the quarter stood at Rs. 107.2 billion, a QoQ improvement of 0.6% aided by better subscriber mix and 4G subscriber additions. On a reported basis, EBITDA for the quarter grew by 3.0% from Rs. 41.6 billion in Q1FY24 to Rs. 42.8 billion and EBITDA margins were at 40%. EBITDA excluding IndAS116 impact grew by 2.3% and was at Rs. 20.6 billion compared to Rs. 20.2 billion in Q1FY24.

Capex spend for the quarter stood at Rs. 5.2 billion.

The total gross debt (excluding lease liabilities and including interest accrued but not due) as of September 30, 2023 stood at Rs. 2,127.8 billion comprising of deferred spectrum payment obligations of Rs. 1,351.3 billion and AGR liability of Rs. 681.8 billion that are due to the Government, debt from banks and financial institutions of Rs. 78.6 billion and Optionally Convertible Debentures amounting to Rs. 16.1 billion. The net debt stood at Rs. 2,126.6 billion. The debt from banks and financial institution has reduced by Rs. 72.2 billion during the last one year (was at Rs. 150.8 billion in Q2FY23).

## **Operational highlights**

Our focused approach to investments continues biased towards our 17 priority circles and are expanding our high speed broadband network coverage and capacity by rolling out new 4G sites on the existing locations, upgrading our core and transmission network as well as by refarming 2G/3G spectrum to 4G. Our overall broadband site count stood at around 440,500 as of September 30, 2023 and during the quarter we added around 900 4G sites. Till date, we have deployed ~74,900 TDD sites in addition to the deployment of ~13,900 Massive MIMO sites and ~13,000 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 (4G coverage is the population reached/covered by VIL with its 4G network).

We are in discussion with various network vendors for finalisation of our 5G rollout strategy. We continue to work with various partners to develop use cases and build device ecosystem. We also have the highest rated voice quality in the country as per TRAI's 'MyCall' App data for 30 out of 35 months between November 2020 and September 2023. Our relentless pursuit to offer better experience to our customers is clearly visible through these network investment initiatives.

The 4G subscriber base continued to grow for the ninth successive quarter and stood at 124.7 million as on September 30, 2023 vs 122.9 million in Q1FY24, an addition of 1.8 million 4G subscribers. With improving operations, we have seen lowest quarterly subscriber decline of 1.6 million since merger. The overall subscriber base stood at 219.8 million. ARPU improved to Rs. 142, up 2.1% QoQ vs Rs. 139 in Q1FY24 primarily aided by migration of subscribers to higher ARPU plans. We continue to see high data usage per broadband customer at ~15.8 GB/month with the total data traffic for the quarter witnessing QoQ growth of 2%.



We recently launched our new brand campaign - 'Be Someone's We', rooted in the company's vision of being a partner to its customers; in building a better today and a brighter tomorrow. This is relevant in today's world as several studies indicate that people from all walks of life, especially the GenZ & millennials are struggling with challenges such as loneliness and social isolation; impacting their overall well-being. The campaign underscores the crucial need to establish genuine emotional connections in our ever evolving phy-gital world. This campaign is designed to deliver a powerful message of supporting one another through both good and challenging times and illustrate how a network can serve as a bridge for forming human/social bonds, promoting inclusivity and fostering a sense of togetherness.

Further, we revamped our customer offerings to make them relevant to the customers with the changing customer needs. In a country as diverse as India, where cultures, languages, and even last names often overlap, telecom companies have traditionally offered one-size-fits-all plans. Recognizing this, we have pioneered a new era of personalization offering the freedom to select and customize benefits tailored to their unique preferences, reflecting the spirit of India's diversity.

In line with our digital offering strategy, we continue to add to our array of content offerings, digital products and services through partnerships on Vi App. During the quarter, we launched 'Vi One' a converged proposition to the consumers offering fiber, mobility and over-the-top (OTT) under a single plan. This has been launched in 3 circles currently, in partnership with You Broadband and will be expanded to other circles in partnership with other ISPs.

In this fast-evolving digital era, enterprise needs have broadened for various services and solutions be it security, connectivity, or cloud. To cater to these growing needs and as part of our ongoing portfolio expansion, we have partnered with Yotta Data Services to enhance our data center Colocation and Cloud services portfolio. It will augment our extensive market presence with Yotta's leadership in high-quality data centers, cloud infrastructure, and service delivery capabilities to aid the digital transformation journey of Indian enterprises. We are connected with all major data centers and cloud service providers and hence are well-positioned to offer end-to-end solutions including colocation, managed hosting, public cloud, and direct cloud connects, and security on our high-speed backbone network.

#### **About Vodafone Idea 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. Company holds large spectrum portfolio including mid band 5G spectrum in 17 circles and mmWave 5G spectrum in 16 circles. To support the growing demand for data and voice, the Company is committed to deliver delightful customer experiences and contribute towards creating a truly 'Digital India' by enabling millions of citizens to connect and build a better tomorrow. The Company is developing infrastructure to introduce newer and smarter technologies, making both retail and enterprise customers future ready with innovative offerings, conveniently accessible through an ecosystem of digital channels as well as extensive on-ground presence. The Company's equity share are listed on National Stock Exchange (NSE) and the BSE in India.

**myvi.in**

**Vodafone Idea Limited (formerly Idea Cellular Limited)  
An Aditya Birla Group & Vodafone partnership**

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