



VODAFONE IDEA LIMITED (formerly Idea Cellular Limited)
Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100GJ1996PLC030976
Unaudited Consolidated Financial Results for the quarter and six months ended 30-September-2020

(₹ Mn, except per share data)

Particulars	Quarter ended			Six Months Ended		Year ended
	30-Sep-20 Unaudited	30-June-20 Unaudited	30-Sep-19 Unaudited	30-Sep-20 Unaudited	30-Sep-19 Unaudited	31-March-20 Audited
INCOME						
Service Revenue	107,861	106,545	108,389	214,406	221,027	449,123
Sale of Trading Goods	21	12	13	33	22	44
Other Operating Income	30	36	38	66	90	408
REVENUE FROM OPERATIONS	107,912	106,593	108,440	214,505	221,139	449,575
Other Income	393	553	3,024	946	5,820	10,393
TOTAL INCOME	108,305	107,146	111,464	215,451	226,959	459,968
EXPENSES						
Cost of Trading Goods	27	11	27	38	60	129
Employee Benefit Expenses	5,104	5,718	6,479	10,822	12,322	21,643
Network Expenses and IT Outsourcing Costs	24,319	24,110	26,804	48,429	56,790	109,916
License Fees and Spectrum Usage Charges	9,948	10,017	11,141	19,965	23,051	48,482
Roaming & Access Charges	15,347	15,026	14,276	30,373	27,474	59,976
Marketing, Content, Customer Acquisition & Service Costs	7,505	6,475	11,144	13,980	20,757	40,983
Finance Costs	47,002	38,039	37,028	85,041	74,929	153,920
Depreciation & Amortisation Expenses	60,286	59,757	63,094	120,043	124,402	243,564
Other Expenses	4,138	4,252	4,613	8,390	9,565	19,321
TOTAL EXPENSES	173,676	163,405	174,606	337,081	349,350	697,934
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS, TAX AND SHARE IN PROFIT / (LOSS) OF JOINT VENTURES AND ASSOCIATE	(65,371)	(56,259)	(63,142)	(121,630)	(122,391)	(237,966)
Add: Share in Profit/(Loss) of Joint Ventures and Associate (net)	857	889	1,295	1,746	1,876	3,553
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	(64,514)	(55,370)	(61,847)	(119,884)	(120,515)	(234,413)
Exceptional Items (Net) (Refer Note 6)	(7,671)	(199,232)	(307,745)	(206,903)	(315,815)	(383,557)
PROFIT/ (LOSS) BEFORE TAX	(72,185)	(254,602)	(369,592)	(326,787)	(436,330)	(617,970)
Tax expense:						
- Current tax	-	1	1	1	10	4
- Deferred tax	(3)	(3)	139,626	(6)	121,618	120,807
PROFIT/(LOSS) AFTER TAX	(72,182)	(254,600)	(509,219)	(326,782)	(557,958)	(738,781)
Items not to be reclassified to profit or loss in subsequent periods:						
- Re-measurement gains/ (losses) of defined benefit plans	157	(71)	225	86	(303)	(281)
- Income tax effect	(8)	2	18	(6)	202	193
- Group's share in other comprehensive income of joint ventures and associate	(1)	(1)	(3)	(2)	(3)	(2)
TOTAL COMPREHENSIVE INCOME/(LOSS)	(72,034)	(254,670)	(508,979)	(326,704)	(558,062)	(738,871)
Paid up Equity Share Capital (Face value ₹ 10 per share)	287,354	287,354	287,354	287,354	287,354	287,354
Other Equity						(227,555)
Earnings Per Share for the period (₹)						
- Basic	(2.51)	(8.86)	(17.72)	(11.38)	(21.89)	(27.26)
- Diluted	(2.51)	(8.86)	(17.72)	(11.38)	(21.89)	(27.26)
Debt Redemption Reserve				4,408	4,408	4,408
Networth				(266,998)	240,686	59,799
Debt Service Coverage Ratio (DSCR) *				0.37	0.32	0.44
Interest Service Coverage Ratio (ISCR) **				0.56	0.55	0.57
Debt - Equity Ratio ***				(4.34)	4.87	19.23

* DSCR = [Profit/(loss) before exceptional items and tax + Depreciation & Amortisation expenses (excluding depreciation on ROU assets) + Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities)] / [Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities) + interest capitalised + scheduled long term principal repayments(excluding prepayments)]

** ISCR= [Profit/(loss) before exceptional items and tax + Depreciation & Amortisation expenses (excluding depreciation on ROU assets) + Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities)] / [Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities) + interest capitalised]

*** Debt - Equity Ratio = Debt / Equity

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 29th October, 2020.
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.

The Group, till the previous quarter, without prejudice and on prudence, had recognized total estimated liability of ₹ 654,405 Mn including the amount of ₹ 582,540 Mn as per preliminary assessments up to FY 2016-17 filed by DoT in the Hon'ble Supreme Court and estimates made by the Group for the periods thereafter computed based on the terms of the License Agreement, AGR Judgement, etc. together with interest, penalty and interest on penalty up to 30th June, 2020. Against the above, the Group had made payments of ₹ 68,544 Mn in three installments up to 31st March 2020 and has made a further payment of ₹ 10,000 Mn during the quarter. The cumulative amount paid by the Group till date exceeds 10% of the total liability and accordingly, the Group believes, the next instalment would be payable only by 31st March 2022. Subsequent to the judgment, the Group has written to the DoT requesting them for corrections of certain computational errors, admissible pass-through and payments made in the past not considered while computing DoT demands. The Group is awaiting response from the DoT. Accordingly, during the quarter, the Group has continued to recognize its AGR obligations based on the judgment of the Hon'ble Supreme Court, License Agreement, etc. As the next installment payable by the Group is due by 31st March 2022, the Group has reclassified the requisite amount to Other non-current liabilities.

3. As at 31st March, 2020, the Company had classified ₹ 142,757 Mn 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 as at 31st March, 2020. The Company had exchanged correspondences/been in discussions with these lenders for the next steps/waivers. Of the above, during the previous quarter, the Company had received waivers for borrowings amounting to ₹ 45,000 Mn and reclassified the amount that was due beyond one year to non-current borrowings. Further, as a result of the rating downgrade, certain lenders had asked for increase of interest rates, for which the Company is in discussion with such lenders. Further, guarantees amounting to ₹ 125,335 Mn are due to expire during the next twelve months and ₹ 15,104 Mn of incremental guarantees are to be provided.

The Company's ability to continue as a going concern is essentially dependent on successful negotiations with lenders and its ability to generate the cash flow that it needs to settle / refinance its liabilities and guarantees as they fall due. The Board of Directors of the Company, at its meeting held on 4th September 2020 has approved the fund-raising plan of up to ₹ 250,000 Mn. Pending the outcome of the above matters, these consolidated financial results have been prepared on a going concern basis

4. Indus Towers Limited (Indus), a joint venture of the Company ("JV Company"), in its interim financial statements for the quarter and half year ended 30th September, 2020 reported that the JV Company's two major customers in the telecom services industry impacted by the above AGR judgement (refer note 2 above) contributed substantial and material portion of the net sales which resulted in significant and material part of the trade receivables due from these customers. Indus's largest customer in its declared results for the quarter ended June 30, 2020, had expressed its ability to continue as going concern to be dependent on positive outcome with regard to the timeframe for the payment of AGR dues to be made in installments. The said customer has paid part of the amount as determined by its self-assessment filed with DoT and in addition has officially announced that its Board in the meeting held on 4th September, 2020 has approved the fund-raising plan up to Rs 250,000 Mn. These developments appear positive vis-à-vis the previous quarter. However, loss of the significant customer or the failure to attract new customers could have a material adverse effect on the business, results of operations and financial condition of the JV Company. This matter is included in the auditor's report on the interim financial statements of Indus Towers Limited as at 30th September, 2020.
5. The Group operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segments.

6. Exceptional Items :-

₹ Mn

Particulars	Quarter ended			Six Months Ended		Year ended
	30-Sep-20 Unaudited	30-June-20 Unaudited	30-Sep-19 Unaudited	30-Sep-20 Unaudited	30-Sep-19 Unaudited	31-March-20 Audited
Integration and merger related costs	(3,384)	(3,746)	(2,746)	(7,130)	(5,008)	(10,012)
Provision for additional depreciation / impairment of assets	(2,977)	377	(48,220)	(2,600)	(51,936)	(57,571)
Provision for impairment towards investment in associate	-	-	-	-	(2,092)	(1,596)
License fees and SUC on AGR	-	(194,405)	(256,779)	(194,405)	(256,779)	(275,143)
One Time Spectrum Charges (including interest)	(1,287)	(1,230)	-	(2,517)	-	(38,871)
Others	(23)	(228)	-	(251)	-	(364)
Total	(7,671)	(199,232)	(307,745)	(206,903)	(315,815)	(383,557)

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

₹ Mn

Particulars	Quarter ended			Six Months Ended		Year ended
	30-Sep-20 Unaudited	30-June-20 Unaudited	30-Sep-19 Unaudited	30-Sep-20 Unaudited	30-Sep-19 Unaudited	31-March-20 Audited
Revenue from Operations	107,235	105,939	108,045	213,174	220,133	447,150
Profit / (Loss) before Tax	(72,156)	(253,339)	(370,663)	(325,495)	(439,205)	(622,867)
Net Profit / (Loss) after Tax	(72,156)	(253,339)	(497,273)	(325,495)	(547,652)	(731,315)

8. Details required with regards to the listed unsecured NCD's are as follows:

SL No.	Particulars	Principal Amount	Previous Due Date		Next Due Date	
		(₹ Mn)	Principal	Interest	Principal	Interest
1	Unsecured 7.57% NCD's	15,000	NA	13-Dec-19	13-Dec-21	14-Dec-20
2	Unsecured 7.77% NCD's	10,000	NA	4-Jan-20	4-Jan-22	4-Jan-21
3	Unsecured 7.77% NCD's	5,000	NA	17-Jan-20	17-Jan-22	18-Jan-21
4	Unsecured 8.04% NCD's	20,000	NA	27-Jan-20	27-Jan-22	27-Jan-21
5	Unsecured 8.03% NCD's	5,000	NA	31-Jan-20	31-Jan-22	1-Feb-21
6	Unsecured 8.03% NCD's	5,000	NA	14-Feb-20	14-Feb-22	15-Feb-21
7	Unsecured 10.90% NCD's	15,000	NA	3-Sep-20	3-Sep-23	3-Sep-21

Interest has been paid on the respective due dates and the principal is not yet due.

The NCD's listed above have currently been rated "CARE B+" with (Outlook: Under Credit Watch with Negative Implications) by CARE. The previous rating was "CARE BB-" with (Outlook: Under Credit Watch with Negative Implications). Additionally, its 7.57% NCD (Sl. No.1); 7.77% NCD (Sl. No.3) and 8.03% NCD (Sl. No. 5) issues have been rated as "BWR BB-" with (Outlook: Under Rating Watch with Negative Implications) by Brickworks.

9. Statement of Assets and Liabilities: -

₹ Mn

Particulars	As at September 30, 2020	As at March 31, 2020
A ASSETS		
1 Non-current Assets		
Property, plant and equipment (including RoU Assets)	608,764	663,113
Capital work-in-progress	6,091	10,415
Investment property	654	660
Other Intangible assets	1,150,713	1,194,592
Intangible assets under development	459	966
Investments accounted for using the equity method	15,781	15,244
Financial assets		
Long term loans to employees	1	2
Other non-current financial assets	78,701	82,457
Deferred tax assets (net)	17	20
Other non-current assets	125,936	134,866
Sub-total non-current assets	1,987,117	2,102,335
2 Current Assets		
Inventories	27	25
Financial assets		
Current investments	3,238	4,548
Trade receivables	24,209	30,943
Cash and cash equivalents	2,553	3,708
Bank balance other than cash and cash equivalents	14,672	22,922
Loans to joint venture and others	8	9
Other current financial assets	5,296	23,033
Other current assets	84,371	81,673
Sub-total current assets	134,374	166,861
TOTAL – ASSETS	2,121,491	2,269,196
B EQUITY AND LIABILITIES		
1 Equity		
Equity share capital	287,354	287,354
Other equity	(554,352)	(227,555)
Sub-total equity	(266,998)	59,799
2 Non-Current Liabilities		
Financial liabilities		
Long term borrowings	1,052,135	962,804
Trade payables	3,236	6,660
Other non-current financial liabilities	219,603	274,073
Long term provisions	829	3,421
Deferred tax liabilities (net)	35	38
Other non-current liabilities	547,896	4,611
Sub-total non-current liabilities	1,823,734	1,251,607
3 Current Liabilities		
Financial liabilities		
Short term borrowings	-	322
Trade payables	139,754	117,634
Other current financial liabilities (Includes amounts reclassified from long term borrowings (refer note 3))	317,955	377,135
Other current liabilities	106,439	462,206
Short term provisions	607	493
Sub-total current liabilities	564,755	957,790
TOTAL – EQUITY AND LIABILITIES	2,121,491	2,269,196

10. Statement of Cash Flows:

₹ Mn

Particulars	For the period ended September 30, 2020	For the period ended September 30, 2019
Operating activities		
Loss before tax	(326,787)	(436,330)
Adjustments to reconcile loss before tax to net cash flows		
Share in profit of joint ventures and associate (net)	(1,746)	(1,876)
Depreciation of property, plant and equipment (including RoU Assets) and investment property	74,286	77,808
Amortisation of intangible assets	45,757	46,594
Share-based payment expense (ESOS)	21	(81)
Loss on disposal of property, plant and equipment and intangible assets (net)	1	4
Accelerated depreciation on account of network re-alignment	2,600	52,431
License fees and SUC on AGR	194,405	256,779
One Time Spectrum Charges	2,517	-
Impairment of investment in associates	-	1,597
Finance costs (including fair value change in financial instruments)	85,041	74,929
Provision for gratuity and compensated absences	361	332
Bad debts / advances written off	40	-
Allowance for doubtful debts / advances	1,770	1,618
Liabilities / provisions no longer required written back	(21)	(8)
Other income	(893)	(5,716)
Working capital adjustments		
Decrease in trade receivables	5,131	648
(Increase)/Decrease in inventories	(2)	14
Decrease/(Increase) in other financial and non-financial assets	15,337	(88,961)
Increase/(Decrease) in trade payables	13,613	(12,236)
(Decrease)/Increase in other financial and non-financial liabilities	(18,936)	92,189
Cash flows from operating activities	92,495	59,735
Income tax refund/(paid) (including TDS) (net)	7,433	(811)
Net cash flows from operating activities	99,928	58,924
Investing activities		
Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development)	(21,427)	(53,351)
Proceeds from sale of property, plant and equipment and intangible assets	1,106	964
Net sale of current investments	1,603	41,620
Interest received	1,264	1,177
Fixed deposits with banks having maturity of 3 to 12 months	7,956	(91,492)
Dividend received from joint venture (Indus)	1,115	-
Net cash flows used in investing activities	(8,383)	(101,082)
Financing activities		
Proceeds from allotment of equity shares under Rights Issue (net of share issue expenses of ₹ 847 Mn)	-	249,151
Payment of interest and finance charges	(13,496)	(66,585)
Repayment of long term borrowings	(37,757)	(47,420)
Proceeds from short term borrowings	-	30,015
Repayment of short term borrowings	(283)	(69,124)
Payment of lease liabilities	(41,125)	(27,432)
Net cash flows (used in)/from financing activities	(92,661)	68,605
Net (decrease)/increase in cash and cash equivalents during the period	(1,116)	26,447
Cash and cash equivalents at the beginning of the period	3,669	8,479
Cash and cash equivalents at the end of the period	2,553	34,926

11. During the quarter, the Company has undertaken to sell its 11.15% stake in Indus for cash. The Company, during the previous quarter, had pledged equity shares of Indus held by the Company as security against certain non-fund based facilities in the nature of bank guarantees of ₹ 19,350 Mn with an option to get the pledge released by providing alternate security which is yet to be done. Accordingly, as at the quarter end, the Investment in Indus held by the company is not available for immediate sale and hence the same continues to be classified as non-current Investment in Joint Venture and has not been reclassified as 'Asset Held for Sale'.
12. 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. While in the initial period of the previous quarter, the customer's ability to recharge, availability of physical recharge, acquisition of new customers as well as network rollout were somewhat adversely impacted due to the country wide lockdown, the services to our customers continued 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).
13. Previous period figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of

VODAFONE IDEA LIMITED

Date: 29th October, 2020
Place: Gurugram

Ravinder Takkar
Managing Director & Chief Executive Officer



VODAFONE IDEA LIMITED (formerly Idea Cellular Limited)
 Regd Office :- Suman Towers, Plot No 18, Sector 11, Gandhi Nagar-382011, CIN-L32100G1996PLC030976
 Unaudited Financial Results for the quarter and six months ended 30-September-2020

(₹ Mn, except per share data)

Particulars	Quarter ended			Six Months Ended		Year Ended
	30-Sep-20 Unaudited	30-June-20 Unaudited	30-Sep-19 Unaudited	30-Sep-20 Unaudited	30-Sep-19 Unaudited	31-March-20 Audited
INCOME						
Service Revenue	107,203	105,895	107,992	213,098	220,016	446,827
Sale of trading goods	-	-	-	-	3	3
Other Operating Income	32	44	53	76	114	320
REVENUE FROM OPERATIONS	107,235	105,939	108,045	213,174	220,133	447,150
Other Income	270	1,640	3,165	1,910	6,127	10,861
TOTAL INCOME	107,505	107,579	111,210	215,084	226,260	458,011
EXPENSES						
Cost of Trading Goods	-	-	-	-	3	3
Employee Benefit Expenses	4,682	5,303	5,943	9,985	11,262	19,726
Network Expenses and IT Outsourcing Costs	24,396	24,258	26,620	48,654	56,397	109,849
License Fees and Spectrum Usage Charges	9,948	10,016	11,110	19,964	22,981	48,476
Roaming & Access Charges	15,347	15,026	14,276	30,373	27,474	59,976
Marketing, Content, Customer Acquisition & Service Costs	7,635	6,617	11,301	14,252	20,984	41,593
Finance Costs	46,971	38,009	36,993	84,980	74,869	153,772
Depreciation & Amortisation Expenses	58,440	57,938	62,662	116,378	123,483	238,888
Other Expenses	4,559	4,519	5,254	9,078	10,836	21,353
TOTAL EXPENSES	171,978	161,686	174,159	333,664	348,289	693,636
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	(64,473)	(54,107)	(62,949)	(118,580)	(122,029)	(235,625)
Exceptional Items (net)	(7,685)	(199,252)	(307,714)	(206,915)	(517,176)	(387,242)
PROFIT/(LOSS) BEFORE TAX	(72,156)	(253,339)	(370,663)	(325,495)	(439,205)	(622,867)
Tax expense:						
- Current tax	-	-	(1)	-	-	-
- Deferred tax	-	-	126,611	-	108,447	108,448
NET PROFIT/(LOSS) AFTER TAX	(72,156)	(253,339)	(497,273)	(325,495)	(547,652)	(731,315)
Items not to be reclassified to profit or loss in subsequent periods:						
- Equity instrument through other comprehensive gains/(losses)	(2,543)	(1,537)	(9,515)	(4,080)	(14,788)	(19,403)
- Income tax effect on equity instrument through other comprehensive gains/(losses)	-	-	-	-	1,229	1,229
- Re-measurement gains/ (losses) of defined benefit plans	127	(63)	281	64	(248)	(253)
- Income tax effect on re-measurement gains/ (losses) of defined benefit plans	-	-	-	-	185	185
TOTAL COMPREHENSIVE INCOME/(LOSS)	(74,572)	(254,939)	(506,507)	(329,511)	(561,274)	(749,557)
Paid up Equity Share Capital (Face value ₹ 10 per share)	287,354	287,354	287,354	287,354	287,354	287,354
Other Equity						(197,341)
Earnings/(Loss) Per Share for the period (₹)						
- Basic	(2.51)	(8.82)	(17.31)	(11.33)	(21.48)	(26.97)
- Diluted	(2.51)	(8.82)	(17.31)	(11.33)	(21.48)	(26.97)
Debtenture Redemption Reserve				4,408	4,408	4,408
Networth				(239,499)	278,231	90,013
Debt Service Coverage Ratio (DSCR) *				0.35	0.29	0.40
Interest Service Coverage Ratio (ISCR) **				0.53	0.51	0.53
Debt - Equity Ratio ***				(4.85)	4.22	12.79

* DSCR = [Profit/(loss) before exceptional items and tax + Depreciation & Amortisation expenses (excluding depreciation on ROU assets) + Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities)] / [Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities) + interest capitalised + scheduled long term principal repayments(excluding prepayments)]

** ISCR= [Profit/(loss) before exceptional items and tax + Depreciation & Amortisation expenses (excluding depreciation on ROU assets) + Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities)] / [Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities) + interest capitalised]

*** Debt - Equity Ratio = Debt / Equity

Notes

- 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 29th October, 2020.
- 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.

The Company, till the previous quarter, without prejudice and on prudence, had recognized total estimated liability of ₹ 654,012 Mn including the amount of ₹ 582,540 Mn as per preliminary assessments up to FY 2016-17 filed by DoT in the Hon'ble Supreme Court and estimates made by the Company for the periods thereafter computed based on the terms of the License Agreement, AGR Judgement, etc. together with interest, penalty and interest on penalty up to 30th June, 2020. Against the above, the Company had made payments of ₹ 68,544 Mn in three installments up to 31st March 2020 and has made a further payment of ₹ 10,000 Mn during the quarter. The cumulative amount paid by the Company till date exceeds 10% of the total liability and accordingly, the Company believes, the next instalment would be payable only by 31st March 2022. Subsequent to the judgment, the Company has written to the DoT requesting them for corrections of certain computational errors, admissible pass-through and payments made in the past not considered while computing DoT demands. The Company is awaiting response from the DoT. Accordingly, during the quarter, the Company has continued to recognize its AGR obligations based on the judgment of the Hon'ble Supreme Court, License Agreement, etc. As the next installment payable by the Company is due by 31st March 2022, the Company has reclassified the requisite amount to Other non-current liabilities.

- As at 31st March, 2020, the Company had classified ₹ 142,757 Mn 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 as at 31st March, 2020. The Company had exchanged correspondences/been in discussions with these lenders for the next steps/waivers. Of the above, during the previous quarter, the Company had received waivers for borrowings amounting to ₹ 45,000 Mn and reclassified the amount that was due beyond one year to non-current borrowings. Further, as a result of the rating downgrade, certain lenders had asked for increase of interest rates, for which the Company is in discussion with such lenders. Further, guarantees amounting to ₹ 125,335 Mn are due to expire during the next twelve months and ₹ 15,104 Mn of incremental guarantees are to be provided.

The Company's ability to continue as a going concern is essentially dependent on successful negotiations with lenders and its ability to generate the cash flow that it needs to settle / refinance its liabilities and guarantees as they fall due. The Board of Directors of the Company, at its meeting held on 4th September, 2020 has approved the fund-raising plan of up to ₹ 250,000 Mn. Pending the outcome of the above matters, these consolidated financial results have been prepared on a going concern basis.

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

Particulars	Quarter ended			Six Months Ended		Year Ended
	30-Sep-20	30-June-20	30-Sep-19	30-Sep-20	30-Sep-19	31-March-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Integration and merger related costs	(3,396)	(3,746)	(2,602)	(7,142)	(4,864)	(9,855)
Provision for additional depreciation / impairment of assets	(2,977)	377	(48,223)	(2,600)	(51,939)	(57,269)
Provision for impairment towards its loan receivable/investment in subsidiaries / associate	-	-	(110)	-	(3,594)	(6,224)
License fees and SUC on AGR	-	(194,405)	(256,779)	(194,405)	(256,779)	(274,886)
One Time Spectrum Charges (including interest)	(1,287)	(1,230)	-	(2,517)	-	(38,871)
Others	(23)	(228)	-	(251)	-	(137)
Total	(7,683)	(199,232)	(307,714)	(206,915)	(317,176)	(387,242)

₹ Mn

6. Details required with regards to the listed unsecured NCD's are as follows:

Sl. No.	Particulars	Principal Amount	Previous Due Date		Next Due Date	
		(₹ Mn)	Principal	Interest	Principal	Interest
1	Unsecured 7.57% NCD's	15,000	NA	13-Dec-19	13-Dec-21	14-Dec-20
2	Unsecured 7.77% NCD's	10,000	NA	4-Jan-20	4-Jan-22	4-Jan-21
3	Unsecured 7.77% NCD's	5,000	NA	17-Jan-20	17-Jan-22	18-Jan-21
4	Unsecured 8.04% NCD's	20,000	NA	27-Jan-20	27-Jan-22	27-Jan-21
5	Unsecured 8.03% NCD's	5,000	NA	31-Jan-20	31-Jan-22	1-Feb-21
6	Unsecured 8.03% NCD's	5,000	NA	14-Feb-20	14-Feb-22	15-Feb-21
7	Unsecured 10.90% NCD's	15,000	NA	3-Sep-20	3-Sep-23	3-Sep-21

Interest has been paid on the respective due dates and the principal is not yet due.

The NCD's listed above have currently been rated "CARE B+" with (Outlook: Under Credit Watch with Negative Implications) by CARE. The previous rating was "CARE BB-" with (Outlook: Under Credit Watch with Negative Implications). Additionally, its 7.57% NCD (Sl. No.1); 7.77% NCD (Sl. No.3) and 8.03% NCD (Sl. No. 5) issues have been rated as "BWR BB-" with (Outlook: Under Rating Watch with Negative Implications) by Brickworks.

7. Statement of Assets and Liabilities: -

Particulars	₹ Mn	
	As at September 30, 2020	As at March 31, 2020
A ASSETS		
1 Non-current assets		
Property, plant and equipment (including RoU Assets)	554,369	607,052
Capital work-in-progress	5,495	8,598
Intangible assets	1,149,852	1,193,533
Intangible assets under development	459	966
Financial assets		
Non-current investments	40,960	45,040
Long term loans to employees	1	2
Other non-current financial assets	78,537	82,309
Other non-current assets	124,713	133,161
Sub-total non-current assets	1,954,386	2,070,661
2 Current assets		
Financial assets		
Current investments	3,238	4,548
Trade receivables	23,506	29,191
Cash and cash equivalents	1,967	3,223
Bank balance other than cash and cash equivalents	13,747	22,115
Loans to subsidiaries, joint venture and others	7,015	8,421
Other current financial assets	51,880	69,628
Other current assets	83,794	81,076
Sub-total current assets	185,147	218,202
TOTAL – ASSETS	2,139,533	2,288,863
B EQUITY AND LIABILITIES		
1 Equity		
Equity share capital	287,354	287,354
Other equity	(526,853)	(197,341)
Sub-total equity	(239,499)	90,013
2 Non-current liabilities		
Financial liabilities		
Long term borrowings	1,052,135	962,804
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,235	6,656
Other non-current financial liabilities	219,471	273,904
Long term provisions	711	3,293
Other non-current liabilities	544,682	1,224
Sub-total non-current liabilities	1,820,234	1,247,881
3 Current liabilities		
Financial liabilities		
Short term borrowings	1,220	1,542
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	152	102
Total outstanding dues of creditors other than micro enterprises and small enterprises	137,324	114,702
Other current financial liabilities (Includes amounts reclassified from long term borrowings) (Refer Note 3)	314,856	373,696
Other current liabilities	104,667	460,464
Short term provisions	579	463
Sub-total current liabilities	558,798	950,969
TOTAL – EQUITY AND LIABILITIES	2,139,533	2,288,863

8. Statement of Cash Flows: -

₹ Mn

Particulars	For the period ended September 30, 2020	For the period ended September 30, 2019
Operating activities		
Loss before tax	(325,495)	(439,205)
Adjustments to reconcile loss before tax to net cash flows		
Depreciation of property, plant and equipment (including RoU assets)	70,822	77,148
Amortisation of intangible assets	45,556	46,335
Share-based payment expense (ESOS)	21	(84)
Accelerated depreciation on account of network re-alignment	2,600	51,939
License fees and SUC on AGR	194,405	256,779
One Time Spectrum Charges	2,517	-
Provision for impairment towards its loan receivable/investment in subsidiaries/associate	-	3,594
Finance costs (including fair value change in financial instruments)	84,980	74,869
Provision for gratuity and compensated absences	352	272
Bad debts/advances written off	4	-
Allowance for doubtful debts / advances	1,615	1,622
Liabilities/provisions no longer required written back	(17)	(8)
Other income	(1,910)	(6,127)
Working capital adjustments		
Decrease in trade receivables	4,270	443
Decrease in inventories	-	3
Decrease/(Increase) in other financial and non-financial assets	15,404	(89,156)
Increase/(Decrease) in trade payables	14,173	(13,413)
(Decrease)/Increase in other financial and non-financial liabilities	(18,852)	92,298
Cash flows from operating activities	90,445	57,309
Income tax refund/ (paid) (including TDS) (net)	6,900	(553)
Net cash flows from operating activities	97,345	56,756
Investing activities		
Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development)	(20,369)	(51,655)
Proceeds from sale of property, plant and equipment and intangible assets	1,031	1,090
Additional investment in subsidiaries and associate (including advance given for purchase of shares)	-	(649)
Net sale of current investments	1,603	41,621
Loans given to subsidiary	-	(55)
Repayment of loan given to subsidiary	1,405	1,124
Interest received	1,258	1,586
Fixed deposits with banks having maturity of 3 to 12 months	7,977	(91,492)
Dividend received from joint venture (Indus)	1,115	-
Net cash flows used in investing activities	(5,980)	(98,430)
Financing activities		
Proceeds from allotment of equity shares under Rights Issue (net of share issue expenses of ₹ 847 Mn)	-	249,151
Payment of interest and finance charges	(13,452)	(66,618)
Payment of lease liabilities	(41,090)	(27,299)
Repayment of long term borrowings	(37,757)	(47,420)
Proceeds from short term borrowings	-	30,015
Repayment of short term borrowings	(283)	(69,124)
Net cash flows (used in) / from financing activities	(92,582)	68,705
Net (decrease)/ increase in cash and cash equivalents during the period	(1,217)	27,031
Cash and cash equivalents at the beginning of the period	3,184	5,893
Cash and cash equivalents at the end of the period	1,967	32,924

9. During the quarter, the Company has undertaken to sell its 11.15% stake in Indus for cash. The Company, during the previous quarter, had pledged equity shares of Indus held by the Company as security against certain non-fund based facilities in the nature of bank guarantees of ₹ 19,350 Mn with an option to get the pledge released by providing alternate security which is yet to be done. Accordingly, as at the quarter end, the Investment in Indus held by the company is not available for immediate sale and hence the same continues to be classified as non-current Investment in Joint Venture and has not been reclassified as 'Asset Held for Sale'.
10. 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. While in the initial period of the previous quarter, the customer's ability to recharge, availability of physical recharge, acquisition of new customers as well as network rollout were somewhat adversely impacted due to the country wide lockdown, the services to our customers continued 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).
11. Previous period figures have been regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of

VODAFONE IDEA LIMITED

Date: 29th October, 2020
Place: Gurugram

Ravinder Takkar
Managing Director & Chief Executive Officer