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**Annual Report 2021-22**

**Vodafone Idea Limited**

# THE CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholder,

In the past few years there has been increasing economic, political & technological volatility and unpredictability. The events of the last 24 months have heralded a new era of uncertainty where both the amplitude and frequency of shifts have vastly exceeded anything we have seen in recent decades. The unprecedented pandemic was followed by supply chain whiplash, and further disruption was brought on by the Russia-Ukraine war. We are now staring at the spectre of a high-interest rate and high inflation regime globally.

## Global Economy

The Global economy recovered from the pandemic shock in 2022 on the back of supportive fiscal and monetary policies and mass vaccination program. However, at the end of FY22, the war in Ukraine and the subsequent economic sanctions posed a large shock. It disrupted energy markets and supply chains and added to the already evolving inflationary pressures and concerns on consumer demand. Consequently, global growth forecasts have been slashed. The International Monetary Fund (IMF) now expects the world economy to grow by 3.6% in CY22, which is 0.8 percentage points lower than its pre-war projections.

While the global economic backdrop remains challenging, there are reasons to remain optimistic. First, despite the slowdown, IMF's projection of world GDP growth in CY22 is still tracking the pre-pandemic average. Second, fiscal support in developed economies remains above the pre-pandemic trend, even if somewhat diluted, versus past years. Third, mega-trends around sustainability, green investments, digitisation, and disintermediation remain well-entrenched and will support growth and productivity enhancement in the medium term.

## Indian Economy

The Indian economy has not remained unscathed by these global developments. Partly on account of the elevated commodity prices in global markets, India's inflation has pushed higher than the target of the Reserve Bank of India (RBI). To control inflationary risks and reduce the pressure on the rupee, the Central Bank has been taking precautionary steps to unwind extraordinary liquidity support and to minimize the volatility in exchange rate.

On the positive side, economic activity in India has witnessed a sharp recovery to pre-pandemic levels on the back of a rapid and widespread rollout of the vaccination program. A strong digital ecosystem, fiscal

and monetary policy and various government schemes helped small and medium enterprises and the worst affected sections of the population to survive while reviving demand and bringing the economy back on track.

Even as the global headwinds are being felt, India's growth recovery is progressing well, and most estimates peg economic growth during FY23 around the 7% range. India, therefore, is poised to be the fastest-growing major economy in the world and an engine of global growth.

### **Your Company's Performance**

Your Company, a partnership between two strong promoters Aditya Birla Group India and Vodafone Group UK, is a major telecommunications provider in India, offering voice, data, enterprise services and other Value Added Services ("**VAS**"), including Short Messaging Services, Digital Services, IoT etc. As of March 31, 2022, the subscriber base of your Company stands at 226.1 million (on VLR), with the subscriber market share on VLR stands at 22.1%.

In FY22, various COVID-19 related restrictions created multiple challenges in providing uninterrupted connectivity to millions of Indians, in addition to ongoing challenges of hyper competition at unsustainable lowest tariffs globally. In spite of these difficulties, your Company played a crucial role in providing connectivity to millions of people in India enabling them to work, study, transact, interact, and get the daily dose of entertainment from the safety of their homes. While the operating challenges remain, the increasing digital penetration, increasing content consumption, especially through video and social media usage and increasing e-commerce, is driving strong demand for high-speed mobile broadband connectivity for internet. Your Company with strong spectrum portfolio, large network investments in the form of network sites and optical fiber, wide distribution reach and strong customer affinity is very well positioned to recover and benefit in long term this trend.

In a major industry development, on September 15, 2021, the Government of India announced a comprehensive reform package for the telecom sector including measures to address the structural, procedural and liquidity issues. To address the immediate liquidity concerns of the sector, Government provided an option to the mobile operator of up to four years of moratorium on AGR dues and spectrum instalments due between October 2021 and September 2025 with an option to convert interest arising from such deferment into upfront equity in favour of the government. Your company has opted for deferment of Spectrum and AGR dues for the four year period as well as avail the benefit of conversion of interest arising from such deferment into equity in favour of the Government of India. Other reforms announced in the September 2021

package include (a) revision on AGR definition, (b) reduction in bank guarantees, (c) removal of penalty and (d) reduction of interest for delay in payment of License Fees and Spectrum Usage Charges etc. All these telecom reforms are expected to provide long term benefit to all the operators, including your Company.

Separately, post successful completion of network integration exercise and realization of merger synergies, your Company had undertaken a cost optimization exercise and realized 90% of the targeted ₹ 40 Bn annualized opex savings on a run rate basis in FY22. Your Company's primary focus has been on targeted network investments in leadership markets to ensure superior customer experience. Your Company's 4G population coverage is over 1 Bn and the Company has significantly improved its capacity since merger in 2018. Your Company's relentless pursuit to upgrade its 4G network, through integration and incremental network investments post-merger, is clearly visible through the top rankings across various independent third-party reports on both data and voice.

Your Company continues to focus on driving 4G penetration to increase Average Revenue Per User (ARPU). In November 2021, your Company had increased its tariffs across unlimited bundled plans, combo voucher plans as well as postpaid plans. Your Company has also been focusing on digital-first approach digitizing all customer touchpoints as well as distribution channel. Further, your Company remains focused on strengthening its position on business services, especially the new and fast-growing segment of IoT and cloud services. Your Company has launched several digital initiatives to address the changing requirements of today's digital society enabling individuals and enterprises to get a range of benefits and value-adds. During the year, your Company also launched exciting propositions in various categories through digital offering on platforms for Music, Gaming, Education & Jobs and Health which are available on the Vi app as part of an integrated access to its customers. All these incremental digital initiatives will improve revenue and profitability and subsequently strengthen your Company's overall competitive position and revenue in the longer run.

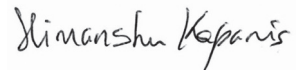
## **Outlook**

Your Company continues to focus on execution of its stated strategy. Your Company will remain focused on providing superior data and voice experience and building a differentiated digital experience with focus on increasing 4G subscribers. To further drive the digital agenda, your Company will look for deeper integration opportunities with its partners using its platform capabilities to provide a differentiated telco++ experience, creating value both for its partners as well as customers.

All the ongoing strategic initiatives will ensure that your Company will continue to provide the best of customer experience to retail and enterprise customers and help in creating an agile and future-fit organization.

I would like to take this opportunity to acknowledge the untiring efforts of the employees of the Company who went beyond the call of their duty to meet burgeoning customer and other demands in these challenging times. As, I vacate the Chairmanship Position, I would also place on record the support I received from the Members of the Board, Promoters and shareholders in smooth conduct of business and welcome my fellow Director Mr. Ravinder Takkar as new VIL Non-Executive Chairman. I would also thank the Government of India, DoT, TRAI, State Governments and Municipal Corporations for their untiring support and trust in these difficult times.

Yours Sincerely,

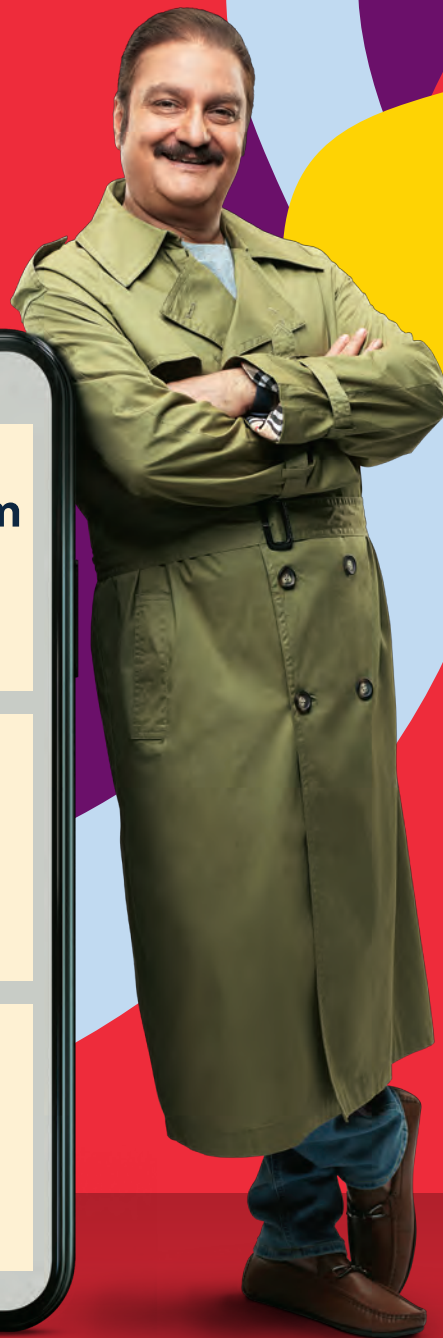
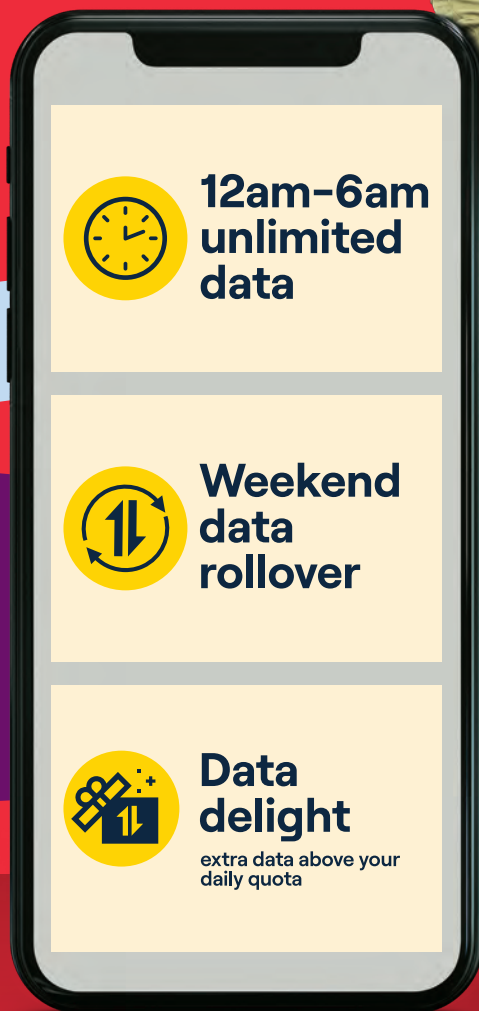
A handwritten signature in black ink, reading "Himanshu Kapania". The signature is written in a cursive style and is positioned above a light blue rectangular background.

**Himanshu Kapania**

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## BOARD OF DIRECTORS



**Mr. Arun Adhikari**  
Independent Director



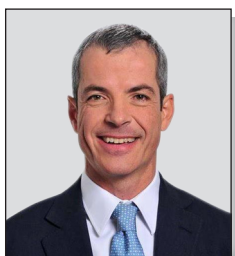
**Mr. Arun Thiagarajan**  
Independent Director



**Mr. Ashwani Windlass**  
Independent Director



**Mr. Himanshu Kapania**  
Non-Executive Chairman  
*(Upto August 18, 2022)*  
Non-Executive Director  
*(w.e.f. August 19, 2022)*



**Mr. Diego Massidda**  
Non-Executive Director



**Mr. K K Maheshwari**  
Non-Executive Director



**Mr. Krishnan Ramachandran**  
Independent Director



**Ms. Neena Gupta**  
Independent Director



**Mr. Ravinder Takkar**  
Managing Director &  
Chief Executive Officer  
*(Upto August 18, 2022)*  
Non-Executive Chairman  
*(w.e.f. August 19, 2022)*



**Mr. Sunil Sood**  
Non-Executive Director



**Mr. Suresh Vaswani**  
Independent Director



**Mr. Sushil Agarwal**  
Non-Executive Director

## CORPORATE INFORMATION

### **Mr. Ravinder Takkar**

Managing Director & Chief Executive Officer  
(Upto August 18, 2022)

Non-Executive Chairman  
(w.e.f. August 19, 2022)

### **Mr. Akshaya Moondra**

Chief Financial Officer  
(Upto August 18, 2022)

Chief Executive Officer  
(w.e.f. August 19, 2022)

### **Mr. Pankaj Kapdeo**

Company Secretary

---

### **Statutory Auditors**

S.R. Batliboi & Associates LLP  
Chartered Accountants,  
12<sup>th</sup> Floor, The Ruby,  
29, Senapati Bapat Marg,  
Dadar (West),  
Mumbai - 400 028

### **Cost Auditors**

Sanjay Gupta & Associates  
Cost Accountants  
C-4E/135, Janakpuri  
New Delhi - 110 058

### **Secretarial Auditors**

Umesh Ved & Associates  
Company Secretaries  
304, Shoppers Plaza V,  
Opp. Municipal Market,  
C.G. Road, Navrangpura,  
Ahmedabad - 380 009

### **Registrar and Share Transfer Agents**

Bigshare Services Pvt. Ltd.  
Office No. S6-2, 6th Floor,  
Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East),  
Mumbai - 400 093

### **Debenture Trustee**

IDBI Trusteeship Services Ltd.  
Asian Building, Ground Floor,  
17, R. Kamani Marg,  
Ballard Estate,  
Mumbai - 400 001

### **Corporate Office**

Birla Centurion, 10th Floor,  
Century Mills Compound,  
Pandurang Budhkar Marg,  
Worli,  
Mumbai - 400 030

### **Corporate Identity Number (CIN)**

L32100GJ1996PLC030976

### **Registered Office**

Suman Tower,  
Plot No. 18, Sector - 11,  
Gandhinagar - 382 011  
Gujarat

### **Website**

[www.myvi.in](http://www.myvi.in)



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# DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the Twenty Seventh Annual Report, together with the audited financial statements of the Company for the Financial Year ended March 31, 2022.

## Company Overview

Your Company, a partnership between two strong promoters Aditya Birla Group and Vodafone Group, is a major telecommunications operator in India, offering voice, data, enterprise services and other Value Added Services (“VAS”), including Short Messaging Services, Digital Services, Internet of Things (IoT) etc. As of March 31, 2022, the subscriber base of your Company stands at 226.1 Mn (on VLR), with the subscriber market share on VLR stands at 22.1%. The Wireless Revenue Market Share (RMS) on the basis of Gross Revenue (GR) for your Company stands at 19.9% for the third quarter of Financial Year 2022.

Your Company provides Voice and Data services on 2G, 3G and 4G technologies across all 22 service areas and has strong spectrum portfolio and network footprint to support the increasing demand for both, data and voice services. Your Company has a large spectrum holding comprising 1,768.4 MHz spectrum across 22 circles, of which 1,738.4 MHz is liberalised spectrum which can be used towards deployment of any technology.

Your Company's mobile telecommunication services cover more than 1.2 billion Indians. As of March 31, 2022, your Company has 455,264 broadband (3G+4G) sites and all of its 4G sites are VoLTE enabled, offering a better customer experience. Your Company provides Voice over WiFi (VoWiFi) in several circles which will be gradually expanded to rest of the country. The 4G network is spread over 338,000 towns and villages and covers more than a billion Indians. Your Company has been deploying Dynamic Spectrum Re-farming (DSR), Massive Multiple-Input Multiple-Output Sites (MIMO) and Small cells to maximize spectrum efficiency. Additionally, your Company has been actively deploying 4G/LTE on TDD band of 2300 MHz and 2500 MHz spectrum band to expand its data capacity as well as on 900 MHz band to improve customer experience in dense areas.

Your Company also derives revenue from carrying India inbound ILD traffic through arrangements with other mobile telecommunication companies and long distance carriers operating outside India. Your Company is also a leading player in offering Business (Enterprise) services to customer across sectors. Your Company has a portfolio of ~289,000 km of Optical Fibre Cable (OFC), including own built and Indefeasible Right of Use (IRU) OFC, excluding overlapping routes between erstwhile Vodafone India and Idea Cellular.

The brand **Vi**, launched in September 2020, continues to garner strong awareness and building brand affinity across all customer segments in the country. Your company continues to make extensive progress on the marketing front by communicating key differentiators, entering into various alliances to enhance its offerings to customers as well as introducing various innovative products and services both for retail and enterprise customers. **Vi** is building a competitive advantage by increasing customer engagement and heralding a new Digital Ecosystem with the introduction of Music, Games, Jobs & Education Services, which is expected to be further expanded over a period of time. **Vi GIGAnet** continues to offer superior network experience on both, data and voice, as reflected in top rankings on 4G download speeds in independent external reports and TRAI “MyCall” app data respectively. Your Company has one of the largest DSR (Dynamic Spectrum Refarming) deployment, India's largest AI-powered Massive MIMO sites along with advanced cloud deployment across Core Network locations Pan-India making it a 5G ready network.

Your Company's vision is to ‘Create world class digital experiences to connect and inspire every Indian to build a better tomorrow’. To achieve this end, your Company is developing world-class infrastructure to introduce newer and smarter technologies, making both retail and enterprise customers future ready with innovative offerings, conveniently accessible through an eco-system of digital channels as well as extensive on-ground presence.

## Financial Results and Summary

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

The standalone and consolidated financial highlights of your Company for the Financial Year ended March 31, 2022 are summarized as follows:

Particulars	(₹ Mn)			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Income from sale of goods and services	<b>382,024</b>	416,589	<b>384,984</b>	419,382
Other Operating Income	<b>183</b>	138	<b>171</b>	140
Other Income	<b>975</b>	2,584	<b>1,294</b>	1,742
Total Revenue	<b>383,182</b>	419,311	<b>386,449</b>	421,264
Operating Expenses	<b>227,872</b>	252,442	<b>224,794</b>	250,065
EBITDA	<b>155,310</b>	166,869	<b>161,655</b>	171,199

Particulars	(₹ Mn)			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Depreciation and Amortisation	228,575	229,062	235,843	236,385
EBIT	(73,265)	(62,193)	(74,188)	(65,186)
Interest and Finance charges	209,734	179,916	209,808	179,981
EBT	(282,999)	(242,109)	(283,996)	(245,167)
Exceptional Items (Net)	627	(221,036)	1,643	(199,681)
Share of JV/Associates	-	-	12	2,314
Profit / (Loss) Before Tax	(282,372)	(463,145)	(282,341)	(442,534)
Taxes	-	(208)	113	(203)
Profit / (Loss) after Tax	(282,372)	(462,937)	(282,454)	(442,331)
Other Comprehensive Income, net of tax	89	(4,152)	89	368
Total Comprehensive Income	(282,283)	(467,089)	(282,365)	(441,963)

Standalone revenue of your Company stood at ₹ 382,207 Mn, a decrease of 8.3% over previous year. The EBITDA stood at ₹ 155,310 Mn, registering a decrease of 6.9% over the previous year. The Net Loss including amount specified in other comprehensive income of the Company for the Financial Year 2021-22 stood at ₹ 282,283 Mn, vis-à-vis ₹ 467,089 Mn, for the previous year.

On a consolidated basis, the revenue of your Company stood at ₹ 385,155 Mn, a decrease of 8.2% over the previous year. The EBITDA at ₹ 161,655 Mn reflects decrease of 5.6% as compared to the previous year. The Consolidated Net Loss including amount specified in other comprehensive income of the Company stood at ₹ 282,365 Mn, for Financial Year 2021-22 vis-à-vis ₹ 441,963 Mn for the previous year.

## Operations Review

The Indian wireless industry witnessed testing times as various COVID-19 related restrictions created multiple challenges in ensuring seamless connectivity to millions of Indians, in addition to ongoing challenges of hyper competition and unsustainable tariffs. However, your Company, along with other operators, remained the backbone of the digital infrastructure and allowed the nation to work, learn and connect online.

During the year, all the operators have taken tariff interventions across all prepaid bundled plans, entry level combo voucher plans as well as post-paid plans. While this has helped drive ARPU improvement, tariffs continue to remain unsustainable and need to improve significantly from current levels to improve overall industry health and generate reasonable

returns to promote future investments, including investments towards advance technologies. Though the operating environment continues to remain challenging, the increasing digital penetration, increasing content consumption, especially through video and social media usage and increasing e-commerce, is driving strong demand for high speed connectivity and thus it is a massive opportunity for telecom industry, especially as the pricing has started to revive and likely to improve further in future.

Post realization of merger synergies, your Company had undertaken a cost optimization exercise and realized 90% of the targeted ₹ 40 Bn annualized opex savings on a run rate basis as of end of Calendar Year 2021. Below are the other ongoing major strategic initiatives to improve your Company's revenue and profitability as well as to strengthen its overall position in the market:

- 1. Focused network investments for superior customer experience** – Your Company continues to have a focused approach to investments, biased towards the profitable areas, to utilize capex effectively while ensuring that it offers superior customer experience in these areas. Your Company has been driving incremental 4G investments in the 17 priority circles, which contribute 98% of **VI** revenue and 93% of industry revenue. Your Company also has been adding 4G capacity through spectrum refarming in these areas. Your Company has been deploying several 5G ready technologies such as, Massive MIMO, DSR, Cloudification of Core, which are central to its future growth strategy. Your Company has also initiated 5G trials with major network partners and is well prepared to offer 5G services in line with the evolution of 5G ecosystem.
- 2. Market initiatives to drive ARPU improvement** – As tariff hikes remain crucial to improve the overall industry health, your Company has taken tariff interventions during the year across unlimited bundled plans, combo voucher plans as well as postpaid plans. Your Company has also undertaken several market initiatives to improve ARPU by driving 4G/UL penetration. As a part of the customer excellence drive, your Company has been transforming customer servicing across all touchpoints with a clear focus towards shift to digital. Further, as part of its digital first approach, your Company has renewed its focus on digitalization of distribution channel to completely automate sales process creating seamless and efficient journey for the channel partners.

### 3. Focusing on Business Services and Fast-Growing Revenue Segments

– In line with our stated strategy of transformation from telco to techco, your Company is offering services beyond connectivity and becoming a preferred choice of partner for our customers in their digital journey. Your Company leverages its multi-year relationships with customers and derives tremendous synergies from strength of Vodafone group especially its global leadership in IoT space. While your Company continues to focus on enterprise mobility and fixed line connectivity, your Company is having incremental focus on new revenue streams and strengthening proposition on IoT and cloud service. Your Company thus continues to strengthen partnerships with customers with a range of offerings like **vi** Integrated IoT, an end to end IoT solution, Managed SIP, **vi** Cloud Firewall Service and **vi** Business Plus bundled mobility offering.

### 4. Driving partnerships and digital revenue streams

– Your Company has launched several digital initiatives to address the changing requirements of today's digital society enabling individuals and enterprises to get a range of benefits and value-adds. Vi offers not just enriched connectivity but also an array of digital products and services to complement the core business. On content, one of the key focus areas is to grow your Company's digital footprint through strategic digital and content partnerships. During the year, your Company has also launched some very exciting propositions in various categories like Music, gaming, education, skilling & health, which are available on the Vi app as part of an integrated access. All these propositions should help us build our digital community increasing customer stickiness. Your Company will thus continue to focus on its platform capabilities to offer deeper integration with its partners for a differentiated experience, create monetization opportunities and truly become an integrated digital service provider.

Following the announcement of the government relief package, your company has reinitiated fund raising exercise with new vigor which will enable the company to achieve its strategic intent. A step in that direction, your Company has raised ₹ 45 Bn, from Promoters/Promoters Group entities on a preferential basis. Vodafone Group has contributed ₹ 33.75 Bn and Aditya Birla Group has contributed ₹ 11.25 Bn. Your company continues to actively engage with lenders and investors for further fund raising.

Your Company has thus been making significant progress on various strategic initiatives and continues to strive towards

transforming from a pure play mobile operator to a truly integrated digital service provider.

### Dividend

As your Company has incurred net loss during the Financial Year 2021-22, your Directors have not recommended any dividend for the year.

### Transfer to Reserves

During the Financial Year under review, the Board has not proposed to transfer any amount to Reserves.

### Changes in Share Capital

During the year under review, the Company raised ₹ 45,000 Mn by issuing 3,38,34,58,645 Equity Shares of ₹ 10/- each at an issue price of ₹ 13.30 per Equity Share on a preferential basis under chapter VII of SEBI (ICDR) Regulations, 2018 to entities belonging to the Promoter/Promoter Group. Consequent to the above preferential issue, the issued, subscribed and paid-up equity share capital of your Company as on March 31, 2022 stood at ₹ 321,188 Mn comprising of 32,118,847,885 Equity Shares of ₹ 10/- each.

Further during the year under review, the Authorised Share Capital of the Company was increased from existing ₹ 500,000 Mn to ₹ 750,000 Mn.

### Finance

On a standalone basis, the Company had Cash and Cash Equivalents of ₹ 14,144 Mn and Fixed Deposits with banks having maturity of 3 to 12 months of ₹ 2 Mn as on March 31, 2022. The Company's net debt as on March 31, 2022 increased by ₹ 95,164 Mn to ₹ 1,896,593 Mn as compared to ₹ 1,801,429 Mn last year.

On a consolidated basis, the Company had Cash and Cash Equivalents of ₹ 14,532 Mn and Fixed Deposits with banks having maturity of 3 to 12 months of ₹ 57 Mn as on March 31, 2022. The Company's net debt as on March 31, 2022 increased by ₹ 95,015 Mn to ₹ 1,894,588 Mn as compared to ₹ 1,799,573 Mn last year.

The Department of Telecommunications (DoT) had, vide its communication dated October 14, 2021 (DoT Communication), provided various options to the Company in connection with Telecom Reforms Package. The options that were made available to the Company pursuant to the aforesaid DoT Communication, were as under:

- (a) Defer payment of Spectrum Auction Instalments due upto 4 years with immediate effect, excluding the instalments due in respect of Spectrum Auction 2021;



- (b) One-time opportunity to opt for deferment of AGR related dues as determined by Hon'ble Supreme Court in the AGR case, by a period of 4 years with immediate effect.
- (c) One-time opportunity to exercise the option of paying interest for the 4 years of deferment on the deferred spectrum instalments and AGR dues by way of conversion into equity of the NPV of such interest amount.

The Company has availed all the above options. Accordingly, there has been no payment of Spectrum and AGR dues installment to DoT in Financial Year 2021-22.

All other scheduled loan repayments were made on respective due dates, including Non-Convertible Debentures aggregating to ₹ 60,000 Mn were fully redeemed on respective maturity dates between December 2021 and February 2022.

During this year, the Company has availed a Short Term Loan of ₹ 22,500 Mn, which has been repaid fully post March 31, 2022. The Company had also availed a Long Term Loan of ₹ 5,000 Mn.

### Credit Rating

On the 13th August 2021, CARE downgraded the Company's rating with respect to Long Term Bank Facilities and certain Non-Convertible Debentures to 'CARE B- (Credit Watch with negative implications) [previous year end rating 'CARE B+ (Credit Watch with negative implications)']. On February 1, 2022, CARE upgraded the Company's rating with respect to Long Term Bank Facilities and certain Non-Convertible Debentures to 'CARE B+ (Stable).

Consequent to full repayment of certain Non-Convertible Debentures the credit ratings issued on these instruments by Brickworks have been withdrawn.

### Capital Expenditure

On a standalone basis, the capital expenditure (including capital advances and excluding RoU assets and Spectrum) incurred was ₹ 34,232 Mn in the Financial Year 2021-22.

On a consolidated basis, the capital expenditure (including capital advances and excluding RoU assets and Spectrum) incurred was ₹ 36,503 Mn in the Financial Year 2021-22.

### Fixed Deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

## Significant Developments

### Government Reform Package

On September 15, 2021, the Government announced a comprehensive reform package for the Indian telecom sector including measures to address the structural, procedural and liquidity issues. To address the immediate liquidity concerns of the sector, Government has provided an option of up to four years of moratorium on AGR dues and spectrum instalments due between October 2021 and September 2025 with an option to convert interest arising from such deferment into equity upfront. Your company has already opted for deferment of Spectrum and AGR dues as well as conversion of interest arising from such deferment into equity. Other reforms include clarity on AGR definition, reduction in bank guarantees, removal of penalty and reduction of interest for delay in payment of LF and SUC etc. All these reforms are expected to provide long term benefit to all the operators, including the company. The reforms package and the implementation has been welcomed by all the company stakeholders including the banks and investors.

Your Company had opted for 4 years of deferment for both Spectrum and AGR dues in October 2021. This will provide liquidity support and direct the cash flow generation towards capex investment. Further, on 10th January 2022, the Board of your Company also approved the upfront conversion of the full amount of interest arising due to deferment of spectrum instalments and AGR dues into equity. NPV of this interest is ₹ 161.33 billion. The conversion of this DoT debt to equity will reduce the overall debt of the Company.

### TRAI Consultation paper on 5G Spectrum

The TRAI had initiated consultation on 5G pricing during the year where all the operators had requested the pricing of 5G spectrum to be reduced by 90-95% and were seeking lenient payment terms like no upfront payments, to enable them to direct the cashflows towards 5G network investments. TRAI has incorporated several of the operators' requests and the pricing for 5G spectrum has come down by ~35%. Your Company continues to engage with TRAI and DoT on this matter and auctions are expected to happen during the Financial Year 2022-23.

- Preferential Issuance of Equity shares to Promoter Entities**

The Board of Directors of the Company on March 3, 2022 approved capital raise of (a) ₹ 45,000 Mn through a preferential allotment to the Promoter Group entities and (b) up to ₹ 100,000 Mn through equity or equity linked instruments.

The preferential allotment was approved by shareholders in the Extraordinary General Meeting held on March 26, 2022 and on March 31, 2022 3,38,34,58,645 Equity Shares of face value of ₹ 10/- each at an issue price of ₹ 13.30 per share (including premium of ₹ 3.30 per share) which is at a premium compared to floor price as per SEBI ICDR Regulation, for an aggregate consideration of ₹ 45,000 Mn, were allotted to Promoters/Promoters Group entities on a preferential basis. Vodafone Group (through Euro Pacific Securities Ltd. and Prime Metals Ltd.) has contributed ₹ 33,750 Mn and Aditya Birla Group (through Oriana Investments Pte. Ltd.) has contributed ₹ 11,250 Mn. As a result of this preferential allotment, the aggregate shareholding of the Promoter Group in your Company has increased from 72.05% to 74.99%.

- AGR Matter**

The Hon'ble Supreme Court on October 24, 2019 along with supplementary order dated July 20, 2020 and final order dated September 1, 2020 delivered its judgment (together referred to as "AGR Judgment") upholding the view considered by Department of Telecommunications ("DoT") in respect of the definition of Adjusted Gross Revenue ("AGR") ("AGR Judgment"). The order upheld the principal demand, levy of interest, penalty and interest on penalty. This AGR Judgment has significant financial implications on the Company.

On July 20, 2020, the Hon'ble Supreme Court, after hearing all parties, observed that the amount to be recovered (preliminary assessed) given by DoT in its modification application are taken to be as final amount and there can be no dispute raised about it. The Company during the year paid further sum of ₹ 10,000 Mn and accordingly, the total payment as at March 31, 2021 (including the payment of ₹ 68,544 Mn paid during year ended March 31, 2020) towards the dues following this AGR Judgment stands at ₹ 78,544 Mn.

Subsequent to the same, the Hon'ble Supreme Court vide its final order dated September 1, 2020, has inter-alia directed that for the demand raised by the DoT 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 March 31, 2021 and thereafter, Telecom Operators to make payment in yearly instalments commencing from April 1, 2021 to March 31, 2031 payable by 31st March of every succeeding financial year. The cumulative amount paid by the Company of ₹ 78,544 Mn exceeded 10% of the total liability, and accordingly the Company filed an affidavit with Hon'ble Supreme Court including the compliance letter confirming payment of 10% of the total dues along with an undertaking to pay the arrears as per the Court judgement from FY 21-22 onwards.

The Company had on August 10, 2021 filed a review petition with the Hon'ble Supreme Court for considering to hear the modification application on correction of manifest / clerical / arithmetic errors in the computation of AGR demands which is still pending to be heard.

The Union Cabinet on September 15, 2021 approved major structural and process reforms in the telecom sector to boost the proliferation and penetration of broadband and telecom connectivity. Further to address liquidity requirements, the Cabinet has also approved deferment of AGR dues which are payable in annual instalments as determined by the Hon'ble Supreme Court for up to four years without any change in the instalment period and deferment of spectrum auction instalments payable from October 1, 2021 to September 30, 2025 excluding the instalments due for spectrum auction conducted in 2021. The DoT also revised the definition of AGR effective October 1, 2021 to exclude non-telecom revenues. On October 14, 2021, DoT issued the required notifications giving an option for moratorium of Spectrum instalment and AGR dues to be confirmed by the Company on or before October 29, 2021. It also provided a period of 90 days to confirm upfront conversion, if any, of the interest amount arising due to such deferment into equity. The Company has conveyed its acceptance for

the deferment of Spectrum auction instalments & AGR dues by a period of four years with immediate effect and has also requested for inclusion of the amounts after the affidavit period till AGR judgement of 2019 to be covered by the cabinet relief package.

At its meeting held on January 10, 2022, the Board of Directors approved the conversion of the full amount of such interest on the deferred instalments related to deferred annual spectrum liabilities and AGR dues into shares in the company, either ordinary and / or preference, at the discretion of government. Subsequently on March 31, 2022, DoT has computed the Net Present value (NPV) of the interest liability on moratorium period amounting to ₹ 161,331 Mn towards AGR dues (as per Hon'ble Supreme Court affidavit dated September 1, 2020) and deferred annual Spectrum liabilities respectively as on the date of exercise of option i.e. January 10, 2022, which the Company has confirmed on April 14, 2022. Further the accounting of such conversion will happen upon the completion of the process concluding with the actual issue of shares. Such conversion will result in dilution to all the existing shareholders of the Company, including Promoters.

- **One-time Spectrum Charge Matter**

In respect of levy of One Time Spectrum Charge ('OTSC'), the DoT has raised demand on the Company and erstwhile Vodafone India Limited (VInI) and Vodafone Mobile Services Limited (VMSL) in January 2013 for spectrum beyond 6.2 MHz in respective service areas for retrospective period from July 1, 2008 to December 31, 2012 and for spectrum beyond 4.4 MHz in respective service areas effective January 1, 2013 till expiry of the period as per respective licenses. In the opinion of the Company, the above demand amounts to alteration of financial terms of the licenses issued in the past and therefore the Company filed a petition in the Hon'ble High Court of Bombay, which vide its order dated January 28, 2013, had directed the DoT to respond and not to take any coercive action until the next date of hearing. Similarly erstwhile VInI and VMSL had filed a petition before the Hon'ble TDSAT. Hon'ble TDSAT vide its order dated July 4, 2019 held that for spectrum below 6.2 MHz, OTSC is not chargeable and accordingly demand is set aside. For spectrum beyond 6.2 MHz, if spectrum is allotted after July 01, 2008,

OTSC shall be levied from the date of allotment of such spectrum and if spectrum is allotted before July 01, 2008, OTSC shall be levied from January 01, 2013 till the date of expiry of licenses and ordered DoT to issue revised demands, if any, as per terms of direction given. The Company filed an appeal before the Hon'ble Supreme Court against the Order of the TDSAT. On March 16, 2020, Hon'ble Supreme Court dismissed the petition filed by the Company challenging the levy of OTSC beyond 6.2 MHz. Following the dismissal of the Company's appeal by the Hon'ble Supreme Court, the Company is yet to receive any demand from DoT in line with the TDSAT order. DoT preferred an appeal against the TDSAT judgement and sought stay on the impugned judgement. The matter is currently being heard in Hon'ble Supreme Court and the Central Government is reviewing and/or re-considering the decision to proceed with the present proceedings of appeal.

### Brand Overview

The new & unified brand **VI**, of your Company completed a year and celebrated the anniversary with its customers, trade & employees. It has already garnered strong awareness and continues to build brand affinity & consideration across all customer segments in the country.

Your brand's health has improved significantly as reflected in brand NPS as well as on key KPIs like Spontaneous Awareness, Total Awareness and Non User Consideration. It has also shown significant improvements across all other brand Imagery parameters. Further, from being at rank 3, your Company is now leaders on the aspects of Customer Service, Price and Setup as well as joint leaders on Network, Digital and Emotional Connect.

Your Company's achieved top rankings across various third party reports on both data and voice, including the highest rated voice quality in the country as per TRAI's "MyCall" app data for 15 out of 17 months between November 2020 and March 2022.

### Marketing and other initiatives

During the year under review, your Company made extensive progress on the marketing front by communicating and differentiating, by entering into various alliances, and by introducing various innovative products and services. Some of these are:

- Building a competitive advantage by leveraging the Ookla certification of being the Fastest 4G in the country, your company launched the #SpeedSeBadho campaign - that showcases how one could thrive in life by getting ahead with speed using Vi powered by GIGAnet- the fastest 4G of India. To engage with customers, we launched #SpeedSeBadho challenge on social wherein through a fun filter, people experienced the speeds of GIGAnet. The campaign was extensively promoted on TV & Digital.
- The next phase of #SpeedSeBadho showcased stories of how digital creators are growing with Vi during IPL and the campaign was extensively promoted on TV & Digital.
- Leveraging the coveted Fastest mobile network of India 2021 award by Ookla®, your Company built on the next leg of #SpeedSeBadho by showcasing how one could always find a way when they have speed at hand. The campaign was extensively promoted on TV & Digital. These differentiated campaigns helped build strong brand consideration and network perception.
- With the need for data increasing with each day and to build a competitive advantage by talking about the differentiated offerings, your Company positioned the pack offering “Unlimited Night Data” and “Weekend Data Rollover” as Hero Unlimited Packs and an impactful campaign was launched to highlight these benefits quirkily by Vinay Pathak. The campaign was extensively promoted on TV & Digital & on ground.
- With an objective to increase customer engagement and herald a new Digital Ecosystem, your Company transitioned Vi app into multifaceted app which now provides its customers Movies & Live TV, Music, Games, Jobs and Education Services and more in addition of doing recharges and payments.
- Vi Movies & TV – our OTT app has been integrated with Vi app giving customers access to their favorite shows & movies right on Vi app itself. And, to provide the best in class content, the Company partnered with various content creators and OTT apps like Zee5, Voot Select, Fireworks, SunNXT, Shemaroo Me, Colours, Lionsgate Play, Hungama, TV Today, Discovery and others. The app provides a range of content including Movies, TV shows & Live TV from over 400 TV channels, Original shows and short format videos in 16+ languages.
- With the objective of driving high-end/heavy data users with premium content, the Company also has product bundling tie ups with leading content providers like Amazon Prime, Hotstar, and Netflix.
- Vi partnered with Hungama Music to offer our customers ad-free music with unlimited downloads. This was extensively promoted on TV, digital, PR & for a 360 integrated campaign packing impact. It was further supported with a Valentine’s contest to create user generated playlist and an AI filter that suggests you songs basis your mood and an extensive influencer campaign with celebrity singers.
- Next your Company launched Vi Games, in partnership with Nazara Digital, a casual gaming portal with 1000+ games including exclusive titles from Disney & Pixar. We also organized, Vi Play Along - a gaming tournament of sorts during IPL to meaningfully engage with cricket lovers.
- Your Company also launched Jobs & education proposition on the Vi app, in line with our brand philosophy of enabling our customers to thrive, by partnering with 3 marquee start-ups – Apna (now a unicorn), Enguru and Pariksha. These propositions are specifically targeted at Bharat Youth with the aim of enabling them to have an equal opportunity of access to services like finding jobs & professional networking, learning to speak English and prepare of government exams.
- India is a cricket loving nation and IPL gives a great opportunity to connect with customers and therefore the brand co-sponsored IPL on the Star sports broadcast network. To engage with the users, increase usage of the website and app, a digital campaign “Vi Fan of the Match” was launched. This campaign led to Vi becoming the buzziest brand and generating strong engagement amongst the users.
- In line with your Company’s strategy of accelerating our unlimited base & 4G adoption through attractive content propositions, your Company continued to promote the Hotstar pack for prepaid users during IPL and was promoted on digital & offline.
- With the completion of a year since the launch of **VI**, your Company celebrated the 1st anniversary as ‘Vi day’ to engage with the customers and retailers by delighting them with gifts. The campaign was done on ground as well as on digital.

- Through the year, Vi engaged with its users on social media via various topical campaigns around events such as Friendship Day, Diwali (#LookUp), Children's Day, Christmas and Holi etc. Some of these were also extended to Vi Retail stores. All these helped in driving positive sentiments and buzz for the brand keeping it on top of the mind of the users and also build a stronger brand affinity.
- Your Company also commissioned a state-of-the-art Consumer & Marketing Analytics Platform - India's 1st Big Data AI/ML & Advanced Cloud Analytics Platform among Telcos, which now gives us the capability to compute and process at scale apart from the ability to also access open source knowledge banks. This essentially means that going forward we are increasingly going to entrust the task of defining the next best action to machines.

### **Big Data, Advanced Analytics (Artificial Intelligence & Data Science) and Business Intelligence Edge**

- Vi launched India's 1st Big Data AI/ML Cloud Advanced Analytics Platform over AWS Cloud enabling smarter and faster Marketing interventions & plan recommendation generated by our Data Science & AI/ML based predictive & prescriptive models especially for UL Recruitment, UL Renewals, Churn Reduction and Digital Adoption/Engagement and is indeed a step taken forward in our journey of transition from Telco-Techco.
- Our Artificial Intelligence & Data Science driven Big Data Analytics platform brings in Massive Parallel Processing & Compute Capability enabling faster GTM along with Speed, Scale capability across multiple AI/ML Models to run on Pan-India subscriber base at once.
- Today our Big Data Analytics Platform enables enhanced Customer Acquisition, Engagement, Retention, Digital/Vi App Adoption/Engagement, Churn Reduction, Upsell/Cross-Sell, Data Monetization, Text/Social Media/Sentiment Analytics and accelerates migration of 2G/3G subscribers to 4G as part of our both ARPU & market share growth strategy.
- GTM time for AI/ML Models execution reduced from monthly to weekly frequency and now has capability to perform near Real-time Predictive & Prescriptive Analytics at scale. This also enhances our capability to apply Deep Learning Algorithms over large volume of Data concurrently instead of just experimenting with conventional Ensemble Machine Learning Algorithms

thereby enabling better and scalable campaign performance.

- The deployed Big Data Analytics Platform over AWS Cloud has the most cost effective architecture that leverages both Data Lake & AWS Cloud storage & compute components optimally to keep the cost as low as possible. CAPEX reduced almost to Zero with OPEX flexible and elastic to incorporate additional business impacting AI/ML Models that have high Business impact/value.

Our Core Business Intelligence team completed one of the world's largest Telco Data lake integration enabling quality master data management over Hadoop Data lake Ecosystem along with massive cost reduction enabling sunset of high cost licensed data warehousing tools Netezza & DB2. Our Data Lake supports almost all the functions with data, analytics & decision support.

### **Partnerships & Alliances**

- Vi Business has expanded its range of digital propositions for small and medium businesses, along with the best of partner offerings. In partnership with Google Cloud India, Vi Business Plus, corporate postpaid mobility proposition offers Google Workspace solutions for SMEs and start-ups in order to help them strike the right balance between business objectives and employee flexibility. Vi Business is the first & only telecom company in India to offer Managed SIP service, with high security, resilience, customization, flexibility and best in class features in business communication services for businesses. The digital propositions such as Cloud Firewall and Managed Security Services help businesses adopt digital in a safe and secure manner, foster remote working while ensuring workforce safety and promote employee collaboration.
- Vi Business is creating a multi cloud marketplace through its own assets and strategic partnerships in order to accelerate digital transformations for enterprises.
- With its focus on empowering businesses to grow and reinvent in a dynamic digital ecosystem, we are working with partners and customers to build Private LTE solutions to drive Industry 4.0.

### **Integrated IoT Solutions**

One of the strategic focus areas for your Company has been to strengthen its market leadership in IoT and other emerging technology businesses. Vi Business,

the enterprise arm of your Company, had hence last year strengthened its IoT portfolio with the launch of Integrated IoT solutions for enterprises. With this industry first initiative, VIL has become the only telecom company in India to offer a secure end-to-end IoT solution offering that comprises connectivity, hardware, network, application, analytics, security and support. The offering is designed to simplify and accelerate the digital transformation journey for enterprises.

In this one year, Vi Business has successfully implemented Smart Mobility, Smart Infrastructure and Smart Utility IIoT solutions in leading companies across FMCG, Manufacturing, Automotive and infrastructure sectors. In Smart Mobility, the solutions are enabling a leading FMCG company to manage sales & fleet productivity of its foods product. Our Smart Infrastructure solution is enabling a leading denim and apparel manufacturer reinvent and build smart factory with the help of autonomous mobile robots solution deployed in their warehouse; This has resulted in an increased textile production capacity & productivity, removing laborious process of transporting textile materials and thus reduce their damages.

Vi Business also enabled VIL's own Health, Safety and Wellness (HSW) team by delivering Smart Fleet Management solution which is ensuring better workplace environment for employees, women safety and stress free commute to employees.

Vi Business has been a dominant IoT provider to connected vehicle industry, and has further extended its leadership in automotive, transportation and logistics sectors with Smart Mobility solution. Our solutions are powering several Electric Vehicle (EV) OEMs and Last-mile delivery companies in the EV ecosystem, enabling business critical use cases such as vehicle tracking, battery monitoring, and EV charging station management.

There are similar several other industries which are impacted through our successful Integrated IoT solutions deployments.

• **IoT Self-Scan: Framework for IoT Maturity**

Highlighting the potential of IoT adoption in manufacturing, Vi Business also launched an IoT Insights report “Vi IoT Self Scan: Framework for accessing IoT maturity” basis its key learnings of working closely with the manufacturing companies. According to the report,

manufacturing companies recognize the business need to build a connected factory ecosystem. Most companies wish to automate their plant operations with IoT in the next few years. IoT Self Scan Report identifies other reasons like production monitoring, planning and scheduling, quality and compliance and process optimization as triggers for manufacturing companies to adopt IoT.

- Vi Business continues to support enterprises, SMEs and COVID-19 vaccine ecosystem with our Techco solutions during the pandemic.
- Vi Business Plus, an industry leading mobility solution, enables today's mobile workforce to connect, communicate, collaborate and do a lot more with their postpaid plans. The Mobile plans are bundled with Security and location services to help enterprises and businesses balance the corporate and individual needs.
- Vi Business has launched Managed Security Services, in partnership with Fortinet, to serve growing security needs of enterprises as they embrace digital ways of operations.

**Awards and Recognitions**

Some key awards and recognitions received by your Company during the period are:

- Vi was awarded the prestigious ET Telecom Awards 2022 for:
  - Best Customer Service
  - Social Cause Based Initiative for Vi CSR's SmartAgri program
- Vi Business won multiple recognition at the CIO Choice Awards 2022 under the following categories:
  - Enterprise Mobility Vendor Category - Vi's Managed Mobility services
  - Hardware, Network & Storage Vendor Category - Vi's Internet of Things (IoT) solutions
  - Telecom Services Vendor Category – Best Telecom Carrier
  - Mobility Vendor Category - SIP trunk in Enterprise
- Vi Business was awarded the Frost & Sullivan Award 2022 for:
  - Best Practices under Indian Cellular IoT Connectivity Service Provider category

- Best Practices Technology Innovation Leadership Award for Indian Session Initiation Protocol (SIP) Trunking Technology
- Vi won the Aegis Graham Bell Award 2022 for Innovation in Supply Chain
- Vi won Corporate Excellence Awards 2022 for ‘Most Active Participation across All Domains’ and bagged Gold for Industry 4.0 & Analytics category for intelligent transport & contract management
- Vi was awarded for Excellence in Pandemic Response by Fintech India Innovation at Fintech India Expo 2022
- Vi was ranked amongst the Top 45 companies in Businessworld India’s Most Sustainable Companies Listing 2022
- Vi was awarded the Ookla Speed Test Award for being the Fastest Mobile Network for the quarters Q1-Q2 2021
- Vi won the Voice & Data Excellence Awards 2021 in the following categories:
  - Security: Privacy by Design Framework
  - Innovation: Transferable Best Practises Model
  - IoT / AI: Policy Compliance Portal
  - CSR: Health, Safety & Wellness Training in Logistic Areas
- Vi Business was recognized as the Managed Mobility Solution Provider of the year at Quantic Business Media’s BFSI Excellence Awards 2021
- Vi won the Apex Award 2021 in the Virtual Communication category for Education & Training
- Vi won two awards at the DSCI Excellence Awards 2021. These are:
  - Best Security Operations Centre of 2021
  - Best Security Leader of 2021
- Vodafone Idea Foundation’s Smart Agri program was awarded the ‘Most Innovative Best Practice’ under ‘Innovations in CSR’ category at the CII DX Awards 2021
- Vi was also recognized at the CII DX Awards 2021 for Innovative Best Practices for Digital Transformation under:
  - Innovations in Supply Chain & Logistics – Vi’s Neo Digital Acquisition
  - Innovation in Customer Experience – Vi’s Neo Digital Acquisition
  - Innovation in Digital Distribution - UPI Auto Pay enablement for Trade Apps
  - Innovation in Customer Experience – Vi App
  - Innovation in Customer Experience – AI ML powered Chatbot ‘VIC’
- Vi was awarded Bronze for Best Digital Customer Service Experience through VIC Chatbot at the International Customer Service Awards 2021
- Vi won a Bronze at the International Business Awards 2021 (Stevie Awards) for providing exemplary customer experience
- Vi Corporate Communication team was ranked 10th in the Top 30 Corporate Communications Teams in India for 2021 by Reputation Today
- Vodafone Idea Foundation was awarded by the British Business Group for Excellence in CSR category for its SmartAgri initiative
- Vodafone Idea Foundation’s Jigyasa program won the Rotary CSR Awards 2021 for excellence in basic education & literacy

## Subsidiaries and Joint Ventures

As on March 31, 2022, your Company has ten subsidiary companies, one joint venture company and one associate company, details whereof are given below:

### Subsidiaries

#### 1. Vodafone Idea Manpower Services Limited (VIMSL)

VIMSL is engaged in the business of providing manpower services to the Company. During the year under review, the total income stood at ₹ 684 Mn compared to ₹ 702 Mn in the previous year.

#### 2. Vodafone M-pesa Limited (VMPL)

VMPL was in the business of Prepaid Payment Instruments (PPI) and Business Correspondence and provided customers with a mobile wallet and money transfer services in the form of M-pesa. VMPL has ceased all operations and surrendered its Prepaid Payments Instruments Licence issued by the RBI under the Payment and Settlement System Act, 2007 with

effect from September 30, 2019 as per the guidance and approval of RBI - Department of Payment and Settlement System (DPSS) and also terminated its Business Correspondence Agreement with ICICI Bank with effect from July 31, 2019.

During the year under review, as per the directives issued by Reserve Bank of India (RBI), Customers were only allowed to withdraw / redeem their existing balances. During the year, VMPL has total income of ₹ 12 Mn as compared to ₹ 27 Mn in the previous year.

### **3. Vodafone Idea Business Services Limited (VIBSL)**

VIBSL is an outsourcing hub for backend IT support, data centre operations and hosting services to the Company and its subsidiaries. It also has an OSP business. During the year under review, the total income stood at ₹ 1,256 Mn as compared to ₹ 1,609 Mn in the previous year.

### **4. Vodafone Idea Communication Systems Limited (VICSL)**

VICSL is engaged in the business of trading of Mobile handsets, data card and related accessories and services. During the year under review, the total income stood at ₹ 548 Mn compared to ₹ 329 Mn in the previous year.

On August 11, 2021, the Board of Directors of VICSL approved the scheme of amalgamation under section 230 to 232 of the Companies Act, 2013 between its wholly owned subsidiary Connect (India) Mobile Technologies Private Limited (CIMTPL) and VICSL for transfer of assets and liabilities of the CIMTPL to VICSL. The scheme has been filed with the NCLT on March 29, 2022. The transaction has not been consummated till March 31, 2022.

### **5. Connect (India) Mobile Technologies Private Limited (CIMTPL)**

CIMTPL is a wholly owned subsidiary of VICSL. During the year under review, the total income stood at ₹ 6 Mn compared to ₹ 7 Mn in the previous year.

On August 11, 2021, the Board of Directors of the CIMTPL approved the scheme of amalgamation under section 230 to 232 of the Companies Act, 2013 between its immediate holding company Vodafone Idea Communication Systems Limited (VICSL) and CIMTPL

for transfer of assets and liabilities of CIMTPL to VICSL. The scheme has been filed with the NCLT on March 29, 2022. The transaction has not been consummated till March 31, 2022.

### **6. Vodafone Idea Telecom Infrastructure Limited (VITIL)**

VITIL is engaged in renting out passive infrastructure to telecommunication service providers for hosting their active equipment on existing fibre portfolio of ~168,000 kms. During the year under review, the total income stood at ₹ 8,142 Mn compared to ₹ 6,091 Mn in previous year.

### **7. Vodafone Idea Shared Services Limited (VISSL)**

VISSL is an outsourcing hub for Finance & Accounts, Human Resources, Supply Chain Management, Credit & Collection Support, Customer Support and catering to the Information Technology (IT) needs for data consolidation, back end IT support for the Company and its subsidiaries. During the year under review, the total income stood at ₹ 1,401 Mn compared to ₹ 1,426 Mn in the previous year.

### **8. Vodafone Idea Technology Solutions Limited (VITSL)**

VITSL is engaged in providing Technology, Software, Hardware, Value Added Services (VAS), Application Software, Contents and related products and services that facilitate and develop access to IT enabled VAS products and services whether on single or multiple platform(s) or operating system(s). VITSL is also engaged in the business of providing Data Centre related services and IT Solutions (including E-SIMs) to its customers. During the year under review, the total income stood at ₹ 79 Mn compared to ₹ 57 Mn in the previous year.

### **9. You Broadband India Limited (YBIL)**

YBIL is engaged in providing high speed broadband internet access through cable network, high bandwidth internet broadband services to enterprise segment, infrastructure support to licensed telecommunication service providers. During the year under review, the total income stood at ₹ 1,568 Mn compared to ₹ 1,849 Mn in the previous year.



## 10. Vodafone Foundation (VF)

VF is a section 8 Company as per Companies Act 2013. Pursuant to the enactment of Companies Act, 2013 and Section 135 of the Companies Act, 2013, VF is an implementing agency and carries out Corporate Social Responsibility ('CSR') activities for the Company, its subsidiaries, associate and joint venture, promoter group companies in line with the Schedule VII of the Companies Act, 2013. VF primarily focuses on CSR activities that includes promoting and development of (a) education, (b) financial literacy, (c) empowerment of women, (d) healthcare, (e) environment, (f) eradication of poverty, (g) improving socio-economic condition of farmers.

### Joint Venture Company

#### Firefly Networks Limited

Firefly Networks Limited ('FireFly') is a joint venture with Bharti Airtel Limited, with each partner having equal (50% each) shareholding. The main objective of Firefly is to conduct the business of site acquisition, installation, commissioning, operations and maintenance of Infrastructures at the Hotspots to enable telecommunication and internet service providers, to offer customers Wi-Fi access across the territory. Revenue from operations for the year under review was ₹ 163 Mn as compared to previous year's ₹ 153 Mn. The Board of Directors have resolved to sell the equity held in the said joint venture, subject to all necessary approvals.

### Associate Company

**Aditya Birla Idea Payments Bank Limited (ABIPBL)**, an associate of the Company had decided to wind up business voluntarily on July 19, 2019, due to unanticipated developments in the business landscape of payments bank that have made the economic model unviable. ABIPBL had filed for voluntary winding up before the Bombay High Court and the Hon'ble High Court vide its order dated September 18, 2019, approved voluntary winding up of ABIPBL. ABIPBL is in process of winding-up.

In accordance with the provisions contained in section 136(1) of the Companies Act, 2013 (Act), the Annual Report of the Company, containing therein its standalone and the consolidated financial statements are available on the Company's website [www.myvi.in](http://www.myvi.in).

Further, pursuant to the said requirement, the financial statements of each of the aforesaid subsidiary companies are available on the Company's website [www.myvi.in](http://www.myvi.in) and

shall be available for inspection during business hours at the Registered Office of the Company. Any member who is interested in obtaining a copy of the financial statements may write to the Company Secretary at the Registered Office of the Company.

In terms of provisions contained in Section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries and joint venture companies in Form AOC-1 is provided as '**Annexure A**' to this report.

### Consolidated Financial Statements

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements forms part of this Annual Report and shall also be laid before the shareholders in the ensuing Annual General Meeting of the Company. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

### Risk Management

In compliance with the requirements of regulations contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013, your Company has constituted a sub-committee of Directors known as Risk Management Committee, details whereof are set out in the Corporate Governance Report forming part of the Annual Report to oversee Enterprise Risk Management Framework. The role of the Risk Management Committee is inter-alia to approve the strategic risk management framework of the Company, and review the risk mitigation strategies and results of risk identification, prioritization & mitigation plans.

Your Company has a well-established Enterprise-wide Risk Management (ERM) framework in place for identification, evaluation and management of risks, including the risks which may threaten the existence of the Company. In line with your Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organized approach for evaluating and managing risks.

A detailed exercise is carried out to identify, evaluate, manage and monitor the risks. As required the Committee/Board meets to review the risks and steps to be taken to control and mitigate the same.

Detailed discussion on Risks forms part of Management Discussion and Analysis Report which forms part of this Annual Report under section 'Opportunities, Risks, Concerns and Threats'.

### **Employee Stock Option Schemes**

Your Company values its employees and is committed to adopt the best HR practices for rewarding them suitably. In this direction your Company had implemented the Employee Stock Option Scheme, 2006 (ESOS-2006) and Employee Stock Option Scheme, 2013 (ESOS-2013) with an objective of enabling the Company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in the Company and made grants to eligible employees under ESOS-2006 and ESOS-2013 from time to time.

The Board of your Company has also approved broad parameters for implementing a new Employee Stock Option Scheme – 2018 (ESOS-2018), which has also been approved by the members at the Annual General Meeting held on December 22, 2018. The said Scheme is in the process of being implemented. Further, details of plans also form part of Notes to Financial Statements.

In terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the details of the Stock Options and Restricted Stock Units granted under the above mentioned Schemes are available on your Company's website [www.myvi.in](http://www.myvi.in).

A certificate from M/s. Umesh Ved & Associates, Company Secretaries, Secretarial Auditors, certifying that the Company's Stock Option Plans are being implemented in accordance with the ESOP Regulations would be placed at the Annual General Meeting for inspection by Members.

### **Internal Financial Control Systems and its adequacy**

Your Company has in place adequate internal control systems commensurate with the size of its operations. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal auditors and the reviews performed by management and the audit committee, the

Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2021-22.

### **Human Resource Management**

Your Company's people architecture has been built on the principles of being a consumer centric company with technology as the bedrock. The organization has equipped itself for high change agility, has embedded trust at the foundation of its people agenda, and has adopted digital as the first port of call for all solution building.

### **Management Discussion and Analysis**

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

### **Corporate Governance**

Your Company is committed to maintain the highest standards of Corporate Governance. Your Company continues to be compliant with the requirements of Corporate Governance as enshrined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). A Report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. A certificate from the Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance, as stipulated in the Listing Regulations forms part of the Annual Report.

### **Business Responsibility Report**

As stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspective is presented in a separate section forming part of the Annual Report.

### **Corporate Social Responsibility**

In terms of the provisions of section 135 of the Companies Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report which forms part of this report.

The Company has revised the policy on Corporate Social Responsibility ('CSR') to include changes based on Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and the revised policy was recommended by the CSR Committee and approved by the Board and the same can be accessed on the Company's website at [www.myvi.in](http://www.myvi.in).

In view of the losses incurred by the Company during the last three financial years, the Company has no obligation for CSR spend during the Financial Year 2021-22.

However, believing in giving and caring for the underprivileged and inclusion of all, as well as the dispensation of Ministry of Corporate Affairs, your Company spent ₹ 229 Mn towards CSR activities in Financial Year 2021-22. In view of the continued pandemic, your Company had sought a one-quarter moratorium on the Ministry's dispensation to spend the unspent CSR obligation for Financial Years 2015-16 and 2016-17 in eight equal quarters beginning from April-June of 2019. MCA had granted your Company an extension of one quarter in disbursement and reporting and the spend has been completed by the Company. Additionally, MCA has directed the Company to spend the unspent CSR obligation of ₹ 228 Mn for Financial Year 2017-18 in 8 equal instalments over 8 quarters, commencing from April 2021. Accordingly, the Board of the Company had passed a resolution to spend the unspent CSR obligation for Financial Year 2017-18 in eight equal quarters beginning from April-June 2021. During Financial Year 2021-22 Company has spent 4 Quarters obligation of ₹ 114 Mn.

The Company's CSR initiatives positively impacted the lives of around 44 Lakh people across 23 States through multiple initiatives undertaken in the domains of (a) education, (b) financial literacy, (c) empowerment of women, (d) agriculture & livelihood, (e) eradication of poverty. Your Company during the second year of the pandemic period kept the project activities on-going using the Technology platforms that have been developed during the course of the project and provided support to COVID-19 affected families by distributing dry ration kits, scholarship to students of affected families. Your Company also provided facilitation support in getting 10 Lakh people vaccinated.

The Company's key objective is to actively contribute to the social and economic development of the communities by leveraging technology and purposeful innovation to catalyze social prosperity, digital literacy and inclusivity. Your Company during the reporting year expanded the much appreciated Smart Agri project where IoT solutions have been deployed for realtime inputs by farmers in their farm field to additional

1.09 Lakh farmers across Uttar Pradesh and Rajasthan and also continued support to 55,000 farmers of previous year. Your Company acknowledging the need of hour provided scholarship to 3,000 students whose families were affected by the pandemic. And also to encourage the meritorious teachers your Company provided scholarship to 300 teachers.

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in '**Annexure B**' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

### **Directors' Responsibility Statement**

The Audited Financial Statements for the year under review are in conformity with the requirements of the Companies Act, 2013 and the applicable Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations. Your Directors, to the best of their knowledge and belief, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- b) the accounting policies selected have been applied consistently and judgements and estimates are made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at the end of the financial year and of the financial performance and cash flows of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts were prepared on a going concern basis;
- e) your Company had laid down internal financial controls and that such internal financial controls are adequate and were operating effectively; and
- f) your Company has devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Directors and Key Managerial Personnel

During the year under review, Mr. Kumar Mangalam Birla, Non-Executive Director and Chairman, who has been heading the Board since June 2006, stepped down from the Board of the Company with effect from August 4, 2021. The Board has elevated Mr. Himanshu Kapania, Non-Executive Director as Chairman with effect from August 4, 2021. The Board places on record its sincere appreciation for the outstanding efforts, contribution, support and above all the vision provided by Mr. Kumar Mangalam Birla, to the Company all along the journey.

Further, Mr. D. Bhattacharya (representing Aditya Birla Group) resigned from the Board of the Company with effect from March 2, 2022. The Board places on record its sincere appreciation for the valuable guidance and contribution made by Mr. D. Bhattacharya in the deliberations of the Board during his tenure as Director.

The Board based on the recommendation of Nomination and Remuneration Committee, had appointed Mr. Sushil Agarwal (representing Aditya Birla Group), as an Additional Director (Non-Executive and Non-Independent) with effect from August 4, 2021 and Mr. K.K. Maheshwari (representing Aditya Birla Group) as an Additional Director (Non-Executive and Non-Independent) with effect from March 3, 2022. The Company had received requisite notice from a member under section 160 of the Companies Act, 2013, proposing the appointment of Mr. Sushil Agarwal and Mr. K.K. Maheshwari as a Director at the General Meeting. The members of the Company confirmed the appointment of Mr. Sushil Agarwal at the Annual General Meeting held on September 29, 2021 and that of Mr. K.K. Maheshwari at the Extra-ordinary General Meeting held on March 26, 2022.

In accordance with the provisions of the Companies Act, 2013, Mr. Sunil Sood and Mr. Diego Massidda are liable to retire from office by rotation, and being eligible, have offered themselves for re-appointment at the ensuing Annual General Meeting of the Company.

Mr. Arun Adhikari (DIN: 00591057) and Mr. Ashwani Windlass (DIN: 00042686) had completed their term of 3 years on August 30, 2021. Ms. Neena Gupta (DIN: 02530640) had also completed her term of 3 years on September 16, 2021. Further, Mr. Krishnan Ramachandran (DIN: 00193357) and Mr. Suresh Vaswani (DIN: 02176528) had also completed their term of 3 years on December 26, 2021 and February 7, 2022 respectively.

Based on the recommendations of the Nomination and Remuneration Committee and being satisfied on the

performance evaluation, considering the background and experience, the Board had subject to the approval of the shareholders, approved the re-appointment of above Independent Directors for a further term of 3 years viz. Mr. Arun Adhikari commencing from August 31, 2021; Mr. Ashwani Windlass commencing from August 31, 2021; Ms. Neena Gupta commencing from September 17, 2021; Mr. Krishnan Ramachandran commencing from December 27, 2021 and Mr. Suresh Vaswani commencing from February 8, 2022. These re-appointments have also been confirmed by the Shareholders by way of special resolutions at the Annual General Meeting held on September 29, 2021 and Extra-ordinary General Meeting held on March 26, 2022.

In addition to the above, Mr. Arun Thiagarajan shall cease to be an Independent Director with effect from August 26, 2022 upon completion of his second term as an Independent Director.

All Independent Directors have submitted their declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise and hold highest standards of integrity.

All Independent Directors of your Company have registered their name in the data bank maintained with the Indian Institute of Corporate Affairs, in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

A brief profile of the directors proposed to be appointed/re-appointed are annexed to the Notice convening Annual General Meeting forming part of this Annual Report.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Mr. Ravinder Takkar, Managing Director & Chief Executive Officer, Mr. Akshaya Moondra, Chief Financial Officer and Mr. Pankaj Kapdeo, Company Secretary.

## Board Evaluation and Familiarization Programme

The evaluation framework for assessing the performance of Directors of your Company comprises of contributions at the meetings, strategic perspectives or inputs regarding the growth or performance of your Company, among others. The evaluation parameters and the process have been explained in

the Corporate Governance Report forming part of the Annual Report of the Company. The Nomination & Remuneration Committee have laid down the manner in which formal evaluation of the performance of the Board, its Committee and individual Directors has to be made. The Board has carried out the annual performance evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of Listing Regulations.

The details of programme for familiarization of Independent Directors of your Company is available on your Company's website [www.myvi.in](http://www.myvi.in).

### Remuneration Policy

The Company has a Remuneration Policy in place encompassing the appointment and remuneration philosophy of the Company. The Policy comprises of the various elements and terms of appointment. The Policy consists of various aspects in connection to Remuneration Program applicable for Directors, Key Managerial Personnel and Senior Management of the Company, Performance Goal Setting, Benefit & Perquisites, Compliance and other such elements.

The policy was formulated by the Nomination and Remuneration Committee in terms of Section 178(3) of the Companies Act 2013 and it also includes the criteria for determining qualifications, positive attributes, independence of a Director and other matters. A copy of the said policy is available on the website of the Company [www.myvi.in](http://www.myvi.in).

### Dividend Distribution Policy

The Board has in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, formulated Dividend Distribution Policy. This policy will provide clarity to the stakeholders on the dividend distribution framework of the Company. The Policy sets out various internal and external factors which shall be considered by the Board in determining the dividend payout. The dividend distribution policy is attached as '**Annexure G**' to this report and is also available on the website of the Company [www.myvi.in](http://www.myvi.in).

### Board Meetings

During the year, thirteen meetings of the Board of Directors were held. The details of the meetings and the attendance of the Directors are provided in the Corporate Governance Report. Further, maximum interval between two meetings of the Board of the Directors has not exceeded 120 days.

### Board Committees

Your Company has in place the Committee(s) as mandated under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are currently seven committees of the Board, namely:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Risk Management Committee
5. Corporate Social Responsibility Committee
6. Capital Raising Committee
7. Finance Committee

Details of the Committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

### Contract and Arrangements with Related Parties

All contracts/arrangements/transactions entered by the Company during the financial year with the related parties are detailed in the Note 56 of the Standalone Financial Statements were in ordinary course of business and at an arm's length basis.

The related party transaction which are considered material during the year is the existing arrangement with Indus Towers Limited (Indus), which provides Passive Infrastructure Services and related operations and maintenance services to various telecom operators in India, including your Company. Pursuant to a Scheme of Amalgamation and Arrangement between Bharti Infratel Limited and Indus, which became effective from November 19, 2020, Indus has been amalgamated with Bharti Infratel Limited and the merged entity is now known as Indus Towers Limited. Indus is continuing as a related party, as the same is a Joint Venture of the Promoter Group.

Indus is currently one of the world's largest independent passive infrastructure providers. Your Company had entered into a Master Service Agreement (MSA) with Indus in 2008 (which has been amended from time to time) for availing passive infrastructure services provided by them in certain service areas. The MSA requires individual tenancy service contracts to be executed for each passive infrastructure site, the terms of which vary depending on the location, type

of site, number of existing tenants, etc. and contain lock in period for ensuring continuity. Such terms are similarly applicable to all other telecom providers having arrangement with Indus. The details of the material related party transaction with Indus for the Financial Year ended March 31, 2022 is provided in Form AOC-2, which is attached as '**Annexure C**' to this report.

None of the related party transactions entered into by the Company were in conflict with the Company's interest. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. Member's approval for material Related Party Transaction, as defined under the Listing Regulations shall be obtained at the ensuing Annual General Meeting.

All Related Party Transactions are placed before the Audit Committee/Board, as applicable, for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. The Company has implemented a Related Party Transaction Manual and Standard Operating Procedures for the purpose of identification and monitoring of such transactions. The details of the transactions with Related Parties are provided in the accompanying financial statements as required under Ind AS 24.

The policy on Related Party Transactions is uploaded on the Company's website [www.myvi.in](http://www.myvi.in).

### **Particulars of Loans, Guarantees and Investments**

As your Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186 of the Companies Act, 2013 relating to loans made, guarantees given or securities provided are not applicable to the Company. The details of such loans made and guarantees given are provided in the standalone financial statements. Also, Particulars of investments made by the Company are provided in the notes to standalone financial statements.

### **Vigil Mechanism – Speak up policy**

Your Company has in place a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail of the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism – Speak Up policy is available on your Company's website [www.myvi.in](http://www.myvi.in).

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, are given to the extent applicable in '**Annexure D**' forming part of this report.

### **Particulars of Employees**

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as '**Annexure E**' to this report.

In accordance with the provisions of Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at the [shs@vodafoneidea.com](mailto:shs@vodafoneidea.com).

### **Statutory Auditors**

The members of the Company had at the 22nd Annual General Meeting held on June 30, 2017, appointed M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, Firm Registration No. 101049W/E300004, as the Statutory Auditors of the Company for a period of five years till the conclusion of 27th Annual General Meeting of the Company to be held in the calendar year 2022. Consequently, the term of the existing Statutory Auditors shall conclude at the ensuing Annual General Meeting.

Pursuant to Section 139(2) of the Act, the Company can appoint auditors firm for a second term of five consecutive years. M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, are eligible for re-appointment and have consented to the said re-appointment.

The Board of Directors based on the recommendation of the Audit Committee approved the re-appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, as the Statutory Auditors of the Company for second term of five consecutive years, i.e. to hold office from the conclusion of the ensuing 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting of the Company, subject to approval of the Members at the ensuing Annual General Meeting.

### **Auditors' Report and Notes to Financial Statements**

The Board has duly reviewed the Statutory Auditors' Report on the Financial Statements including the emphasis of matter relating to the Company's financial condition as at March 31, 2022 and its debt obligations due for the next 12 months, which has impacted the Company's ability to generate the cash flow that it needs to settle/refinance its liabilities as they fall due, which along with its financial condition is resulting in material uncertainty that casts significant doubt on the Company's ability to make the payments mentioned therein and continue as a going concern. The report does not contain any qualification, disclaimer or adverse remarks.

Note 4 to the standalone financial statements covers the Material Uncertainty Related to Going Concern issue and the comments under para xix of Annexure 1 to the Independent Auditors' Report, the clarification of which is self-explanatory. The Board believes that the Company's ability to continue as a going concern is now dependent on raising additional funds as required, successful negotiations with lenders for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. As of date, the Company has met all its debt obligations. Pending the outcome of the above matters, these financial statement have been prepared on a going concern basis.

Further, as regards the comments under para i(a)(A) and i(b) of Annexure 1 to the Independent Auditors' Report regarding updation of situation and quantitative details relating to certain property, plant and equipment being relocated and physical verification of property, plant and equipment, it is to be noted that the Company has undertaken a large scale network integration activity as part of the network roadmap pursuant to the merger of erstwhile Vodafone with the Company. This has led to a delay in updation and the verification exercise. Further, this has been impacted due to COVID-19 vis-à-vis the verification programme scheduled by the Company in the usual circumstances. As of now, the Company is in the process of updating the situation and

quantitative details of such property, plant and equipment and the verification exercise in a manner so as to ensure that the entire property, plant and equipment is verified in the block of three years in line with the physical verification programme of the Company.

Also, as regards the comments under para ix(d) of Annexure 1 to the Independent Auditors' Report regarding utilization of funds raised on short term basis (in form of trade payable and other liability) for long term purposes (representing acquisition of property, plant and equipment and to fund the losses of the Company), it is to be noted that the funds have been utilized in line with the purpose for which it was raised.

### **Reporting of Frauds by Auditors**

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers and employees, the details of which would need to be mentioned in Board's Report.

### **Cost Audit and Cost Auditors**

The Company is required to make and maintain cost records pursuant to Section 148 of the Companies Act 2013.

In terms of the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of your Company on the recommendation of the Audit Committee appointed M/s. Sanjay Gupta & Associates, Cost Accountants, as the Cost Auditors, to conduct the Cost Audit of your Company for the Financial Year ended March 31, 2022. The Cost Auditors will submit their report for Financial Year 2021- 22 within the timeframe prescribed under the Companies Act, 2013 and rules made thereunder. The Cost Audit report for the Financial Year 2020-21 did not contain any qualification, reservation, disclaimer or adverse remark.

The Board, on the recommendation of Audit Committee, has re-appointed M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for Financial Year 2022-23.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors has to be ratified by the shareholders, the Board recommends the same for approval by shareholders at the ensuing Annual General Meeting.

## Secretarial Auditor

In terms of the provision of the Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Umesh Ved & Associates, Company Secretaries, Ahmedabad, as the Secretarial Auditor for conducting the Secretarial Audit of your Company for the Financial Year ended March 31, 2022. The report of the Secretarial Auditor is annexed to this report as '**Annexure F**'. The contents of the Secretarial Audit Report are self-explanatory and do not contain any qualification, reservation or adverse remark.

As per Regulation 24A of the Listing Regulations, material unlisted subsidiaries of a listed entity incorporated in India is required to annex a Secretarial Audit Report issued by a Company Secretary in practice. Due to network of the Company being negative, You Broadband India Limited, Connect (India) Mobile Technologies Private Limited, Vodafone Idea Communication Systems Limited, Vodafone Idea Shared Services Limited and Vodafone Idea Manpower Services Limited were material subsidiaries of the Company. In compliance with the requirement, the Secretarial Audit Report of material subsidiaries is attached as **Annexure F-1 to F-5** to the Annual Report.

Your Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India.

## Annual Return

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of Chapter VII Rules of the Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for Financial Year 2021-22 is uploaded on the website of the Company and can be accessed at [www.myvi.in](http://www.myvi.in).

## Sustainability Journey

Telecom sector provides connectivity to individuals & communities that fosters empowerment and inclusion. The near ubiquitous reach of the mobile makes it the most relevant channel for last mile outreach. The mobile phone has fast become the window to a world of information, better education, livelihood, employment, health, inputs on agricultural practices and governance.

Being a telecom company Vodafone Idea's corporate responsibility agenda is directed towards addressing some of India's critical social and developmental challenges in both rural and urban communities using the inherent potential and

reach of the mobile technology and platform and reducing the environmental impact with increasing preference and usage of digital. The technology platforms set up during the years under CSR initiatives helped in reaching out to the people including students during the continued year of COVID-19 pandemic.

Both promoter groups of the Company too are fully committed towards building sustainable businesses through a clearly crafted vision supported by relevant policies and frameworks.

At VIL, we understand the evolving dynamism in our operating environment. We try to pre-empt uncertainty by looking at alternate scenarios that allow us to understand the external risks to our business. We prioritize adaptability, agility and foresight to ensure that our business models, operations, acquisitions and projects are not locked into unsustainable paths. This was reflected during the pandemic years when all our business activities continued and were managed very efficiently and we successfully provided all necessary support to our customers.

We are fully committed towards creating value for all stakeholders from customers to partners, to employees, to communities and to the larger planet. We achieve this through our passion for customer satisfaction, supporting our partners as they build capacity, engaging with and valuing our employees in an inclusive agenda to instill pride in the work we do and develop sustainable business practices. This is being done with our responsible support towards digital inclusion as a national goal and in continuing with our practices of community development in areas like education & skilling, women empowerment and agriculture.

We will continue to be future-ready by staying ahead of the curve and being charged up to thrive in a sustainable tomorrow by building sustainable businesses and propositions. The Company has a robust Sustainability Framework of Policies, Technical Standards, and Guidance Notes based not just on the local laws but also on leading International standards.

We are in the process of designing long term risk and Enterprise Risk Management framework for business sustainability. We have also identified associated risks linked to external factors for telecom business.

## Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of



Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set-up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the Financial Year 2021-22, 5 complaints pertaining to sexual harassment were received and as on March 31, 2022, three have been resolved and remaining two complaints are under investigation.

### Other Disclosures

- There are no material changes and commitments affecting the financial position of your Company between end of financial year and the date of report, other than those disclosed in the significant developments section of the Board's Report.
- Your Company has not issued any shares with differential voting rights.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.
- There has been no change in the nature of business of your Company.
- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations, other

than the order passed by the Hon'ble Supreme Court on the AGR matter in October, 2019, which has been disclosed in the significant developments section of the Board's report.

### Acknowledgement

Your Directors place on record their sincere appreciation to the Department of Telecommunications, Telecom Regulatory Authority of India, the Central Government, the State Governments, all its investors & stakeholders, bankers, technology providers, equipment suppliers, value added service partners, all the business associates and above all our subscribers for the co-operation and support extended to the Company. Your Directors also wish to place on record their deep appreciation to the employees for their hard work, dedication and commitment.

### For and on behalf of the Board

**Himanshu Kapania**

Chairman  
(DIN : 03387441)

**Ravinder Takkar**

Managing Director &  
Chief Executive Officer  
(DIN : 01719511)

Place : Mumbai

Date : May 10, 2022

# ANNEXURE 'A'

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures Part "A": Subsidiaries

₹ Mn

Sr. No.	Particulars	Name of Subsidiary																
		Vodafone Idea Manpower Services Limited	Connect (India) Mobile Technologies Private Limited <sup>1</sup>	Vodafone Idea Communication Systems Limited	Vodafone Idea Business Services Limited	Vodafone Foundation	Vodafone Idea Shared Services Limited	Vodafone m-pesa Limited	Vodafone Idea Telecom Infrastructure Limited	Vodafone Technology Solutions Limited	You Broadband India Limited							
1	The date since when subsidiary was acquired	October 3, 2007	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	August 31, 2018	
2	Reporting period	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	April 1, 2021 - March 31, 2022	
3	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
4	Equity Share Capital	1	1,499	4,053	1	-*	20	18	2,371	5	750							
5	Other Equity	15	(1,256)	(1,878)	(1,185)	1	171	(5,909)	(3,259)	(117)	(1,022)							
6	Total Assets	119	247	2,254	4,947	502	1,595	46,748	233	53	2,460							
7	Total Liabilities	103	4	79	6,131	501	1,404	52,639	1,121	165	2,732							
8	Investments other than investments in Subsidiary	-	-	-	-	-	-	-	-	-	-							
9	Turnover (Total Revenue)	684	6	548	1,256	464	1,401	8,142	12	79	1,568							
10	Profit/(Loss) before Taxation	3	5	322	1,303	3	92	(1,400)	11	(14)	(294)							
11	Provision for Taxation	2	2	81	-	-	29	-	-	-	-							
12	Profit/(Loss) after Taxation	1	3	241	1,303	3	63	(1,400)	11	(14)	(294)							
13	Other Comprehensive Income/(Loss)	2	-	-	-	-	1	(4)	-	-	1							
14	Total Comprehensive Income/(Loss)	3	3	241	1,303	3	64	(1,404)	11	(14)	(293)							
15	Proposed Dividend	-	-	-	-	-	-	-	-	-	-							
16	% of Shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%							

**Notes:**

1. Connect (India) Mobile Technologies Private Limited is a wholly owned subsidiary of Vodafone Idea Communication Systems Limited (Formerly known as Mobile Commerce Solutions Limited)

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

## Part "B": Associates and Joint Ventures

₹ Mn

Sr. No.	Particulars	Associate	Joint Venture
		Aditya Birla Idea Payments Bank Limited <sup>@</sup>	Firefly Networks Limited
1	Last Audited Balance Sheet Date	March 31, 2019	March 31, 2021
2	Date on which the Associate or Joint Venture was associated or acquired	February 19, 2016	August 31, 2018
	Number of Shares held by the Company as on March 31, 2021	-	10,00,000
	Amount of Investment in Joint Venture / Associate <sup>#</sup>	-	10
	Extent of holding %	49.00%	50.00%
3	Description of how there is a significant influence	Refer Note 2 below	-
4	Reason why the Joint Venture is not consolidated	N.A.	N.A.
5	Net worth attributable to Shareholding as per latest audited Balance Sheet <sup>*</sup>	-	41
6	Profit / (Loss) for the year		
	i. Considered in Consolidation	-	12
	ii. Not Considered in Consolidation	-	-
7	Other Comprehensive Income / (Loss) for the year		
	i. Considered in Consolidation	-	-
	ii. Not Considered in Consolidation	-	-
8	Total Comprehensive Income / (Loss) for the year		
	i. Considered in Consolidation	-	12
	ii. Not Considered in Consolidation	-	-

**Notes:**

- There were no joint ventures liquidated during the Financial Year 2021-22.
  - Significant influence by virtue of having directors on the board of Aditya Birla Idea Payments Bank Limited.
- <sup>#</sup> Amount of investment in joint ventures/associate is based on the carrying value of investments in the standalone financial statements of the Company.
- <sup>\*</sup> Represent networth attributable to the Company based on March 31, 2021.
- <sup>@</sup> Aditya Birla Idea Payments Bank Limited (ABIPBL), had decided to wind up business voluntarily (voluntary winding up) on July 19, 2019 subject to requisite regulatory approvals and consent. The Company is currently under liquidation. Accordingly, the Company had made a provision for impairment of the entire amount of investments in ABIPBL of ₹ 2,788 Mn and additional amount of ₹ 98 Mn contributed in proportion to shareholding during previous years towards liquidation expenses under exceptional items.

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Himanshu Kapania**Chairman  
(DIN : 03387441)**Ravinder Takkar**Managing Director & Chief Executive Officer  
(DIN : 01719511)Place: Mumbai  
Date: May 10, 2022**Akshaya Moondra**  
Chief Financial Officer**Pankaj Kapdeo**  
Company Secretary

**ANNEXURE 'B'****ANNUAL REPORT ON CSR ACTIVITIES****1. Brief outline on CSR Policy of the Company**

To actively contribute to the social and economic development of the communities by leveraging technology and purposeful innovation to catalyse social prosperity, digital literacy and inclusivity. The focus areas of intervention are - Education, Agriculture, Health, Livelihood and Women Empowerment. The CSR policy can be accessed on the Company's website: <https://www.myvi.in/investors/corporate-governance>.

**2. Composition of CSR Committee:**

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Ms. Neena Gupta	Chairperson, Independent Director	2	2
2	Mr. Arun Adhikari	Member, Independent Director	2	2
3	Mr. Krishnan Ramachandran	Member, Independent Director	2	2
4	Mr. Ravinder Takkar	Member, Managing Director & Chief Executive Officer	2	2

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

Composition of the CSR committee, CSR Policy is available on the Company's website on <https://www.myvi.in/investors/corporate-governance>.

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable (attach the report).**

Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (In ₹)	Amount required to be set-off for the financial year, if any (In ₹)
		None	

**6. Average net profit of the Company as per Section 135(5) :** Not Applicable, as the average net profits for last three financial years is negative.**7. (a) Two percent of average net profit of the Company as per section 135(5) :** No obligation for Financial Year 2021-22. However, Ministry of Corporate Affairs (MCA) has directed the Company to spend the unspent CSR obligation aggregating to ₹ 727 Mn for Financial Years 2015-16 and 2016-17 in 8 quarterly instalments of ₹ 91 Mn each, commencing from April – June 2019. MCA had granted your Company an extension of one quarter in disbursement and reporting. Additionally, MCA has directed the Company to spend the unspent CSR obligation of ₹ 228 Mn for Financial Year 2017-18 in 8 equal instalments over 8 quarters, commencing from April 2021. Accordingly, the Board of the Company had passed a

resolution to spend the unspent CSR obligation for Financial Years 2017-18 in eight equal quarters beginning from April-June 2021. In the Financial Year 2021-22, the Company has spent ₹ 229 Mn, which includes ₹ 115 Mn towards completion of 2015-16 and 2016-17 obligation and ₹ 114 Mn towards 4 out of 8 Quarters obligation of Financial Year 2017-18.

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years** : Not Applicable

**(c) Amount required to be set off for the financial year, if any** : Not Applicable

**(d) Total CSR obligation for the financial year (7a+7b-7c)** : ₹ 205 Mn

**8. (a) CSR amount spent or unspent for the financial year** : ₹ 229 Mn

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (In ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 229 Mn	Not Applicable		Not Applicable		

**b) Details of CSR amount spent against ongoing projects for the financial year (current):**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ Mn)	Amount spent in the current Financial Year (in ₹ Mn)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Mn)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	<b>Smart Agri</b> The project aims to improve the farm productivity, reduce input cost, enhance income of farmers etc. using IoT Solutions deployed in the farm field. During the year the project was expanded to Uttar Pradesh and Rajasthan covering 1.09 Lakh+ farmers and also continued support to	Conservation of agro-forestry	Yes	Madhya Pradesh	Agar Bhopal Sehore Dewas Ujjain	Two Years	78	37	-	No	Vodafone Foundation	CSR00 007012
				Maharashtra	Nagpur Amaravati Wardha Yavatmal Nanded							
				Rajasthan	Bundi							
				Uttar Pradesh	Hardoi Lakhimpur							

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ Mn)	Amount spent in the current Financial Year (in ₹ Mn)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Mn)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	farmers of Maharashtra and Madhya Pradesh. More than lakh farmers are being supported and provided realtime information (farm advisory) related to weather, soil moisture, pest etc. for timely farm inputs. Farmers are also provided regular training and handhold support to apply correct and timely farm inputs.											
2	<b>Jigyasa – Building knowledge for life</b> – The project aims to build knowledge for life and addresses some of the most pressing concerns faced by education sector in India by building the capacity of teachers, introducing digital content in the classroom to make learning and teaching more enjoyable, and also augment the existing digital infrastructure as needed. Additionally, we have also developed a scholarship discovery and assistance Platform <a href="http://www.learning-withvodafoneidea.in">www.learning-withvodafoneidea.in</a>	Promoting Education	Yes	Uttarakhand Uttar Pradesh Chhattisgarh Rajasthan Madhya Pradesh		Two Years	49	23	-	No	Vodafone Foundation	CSR00 007012

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ Mn)	Amount spent in the current Financial Year (in ₹ Mn)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Mn)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	Project has benefitted around more than 1.5 Lakh teachers and 50 Lakh Student (indirectly) across India More than 1.5 Lakh students have registered on scholarship portal and more than 10,000 students have received a scholarship											
3	<b>Facilitating COVID-19 Vaccination for underserved people</b>	Preventive Healthcare	No	National Programme		Six months	10	10	-	No	Vodafone Foundation	CSR00 007012
4	<b>Financial literacy - Jaadu Ginni Ka:</b> Jaadu Ginni Ka: Using the power of mobile technology, Vodafone Foundations' flagship programme on financial literacy aims to create awareness amongst youth, urban poor, farmers, artisans, rural women, micro-entrepreneurs, students (15 years and above) on the basic tenets of financial planning/management and on several government schemes. To make the people aware with the basic aspects of day to day financial things	Promoting financial literacy, empowerment and equality	Yes	Andhra Pradesh Assam Bihar Delhi Goa Gujarat Haryana Himachal Pradesh Jammu and Kashmir Jharkhand Karnataka Kerala Leh Madhya Pradesh Maharashtra Odisha Punjab Rajasthan Tamil Nadu Uttar Pradesh Uttarakhand West Bengal		Two years	17	9	-	No	Vodafone Foundation	CSR00 007012

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ Mn)	Amount spent in the current Financial Year (in ₹ Mn)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Mn)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	and eight additional vans in association with CSC academy were started under its Gali- Gali Gaon Gaon component.											
5	<b>Connecting for Good</b> The project aims to foster an ecosystem for promoting use of technology in addressing social challenges and empower NGOs to drive innovation, disseminate knowledge and upscale their interventions for greater impact through two distinct areas: Social App Hub and Solution for Good. Social App Hub, is a crowdsourcing platform, curating mobile solutions with social impact. Social App Hub features over 1000 apps and offers a plethora of knowledge.	Promoting special education	No	National programme		Two years	20	10	-	No	Vodafone Foundation	CSR00 007012
6	<b>Vi Scholarships</b> The project aims to provide financial support to deserving students and acknowledge outstanding teachers for their academic endeavours.	Promoting Education	No	National programme		One year	15	7	-	No	Vodafone Foundation	CSR00 007012



(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ Mn)	Amount spent in the current Financial Year (in ₹ Mn)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Mn)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	Under the initiative, deserving students and outstanding teachers are recognised.											
7	<b>Digital Village:</b> Empowering Communities – RSV: The project aims to create rural micro entrepreneurs by leveraging the strength of technology and support to rural women in setting up local supply chain system right from procurement of raw produce to finishing and selling of these products by local rural women. 4000+ RUDIBnes from UP, MP ns Rajasthan alongwith 4300+ RUDIBens of previous years from Gujarat are directly benefitted under the project. They have been trained on setting up processing centres, use of RSV mobile application to sell agro food products and managing the processing centres.	Promoting employment and enhancing vocational skills	Yes	Madhya Pradesh	Ujjain Dhar Dewas	Two Years	24	12	-	No	Vodafone Foundation	CSR00 007012
				Rajasthan	Dungarpur Udaipur Banswara							
				Uttar Pradesh	Lucknow Firozabad Raibareli Barabanki							
				Gujarat	Patan Kutch Surendarnagar Gandhinagar Mehsana Anand-Kheda Ahemdabad Sabarkantah							
<b>Total</b>							<b>213</b>	<b>108*</b>				

\* Total expenditure during the current year is ₹ 229 Mn out of which ₹ 108 Mn spent for project initiated in the current year (ref 8 b) and ₹ 115 Mn spend during the current year for ongoing project of previous year (ref 9 b).

**c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the project (In ₹)	Mode of implementation – Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District			Name	CSR Registration Number
TOTAL:						NIL			

**d) Amount spent in Administrative Overheads** : ₹ 6 Mn

**e) Amount spent on Impact Assessment, if applicable** : -

**f) Total amount spent for the Financial Year (8b+8c+8d+8e)** : ₹ 114 Mn

**g) Excess amount for set off, if any** : -

Sl. No.	Particulars	Amount (In ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	Not Applicable, as the average net profits for last three financial years is negative.
(ii)	Total amount spent for the Financial Year	₹ 229 Mn
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Not Applicable
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Not Applicable

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (In ₹)	Amount spent in the reporting Financial Year (In ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (In ₹)
				Name of the Fund	Amount (In ₹)	Date of Transfer	
1	-	NA	-	-	NA	-	-

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial Year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total Amount allocated for the project (In ₹ Mn)	Amount spent on the project in the reporting Financial Year (In ₹ Mn)	Cumulative amount spent at the end of reporting Financial Year (In ₹ Mn)	Status of the project – Completed/ Ongoing
1		<b>Smart Agri</b> Building on the project activities of previous year 55000+ farmers from Madhya	2019-20	Two Years	253	34	253	Completed

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total Amount allocated for the project (In ₹ Mn)	Amount spent on the project in the reporting Financial Year (In ₹ Mn)	Cumulative amount spent at the end of reporting Financial Year (In ₹ Mn)	Status of the project – Completed/ Ongoing
		Pradesh and Maharashtra are being provided realtime information (farm advisory) related to weather, soil moisture, pest etc. for timely farm inputs. The realtime information are being collected through IOT based solutions like automated weather station, sensors, crop view camera and insect trap. These information are being analysed by the agri experts and converted into farm advisories. Farmers are being provided regular training and handhold support to apply correct and timely farm inputs.						
2		<p><b>Jigyasa – Building knowledge for life –</b>  The project aims to build knowledge for life and addresses some of the most pressing concerns faced by education sector in India by building the capacity of teachers, introducing digital content in the classroom to make learning and teaching more enjoyable, and also augment the existing digital infrastructure as needed. Additionally, we have also developed a scholarship discovery and assistance Platform <a href="http://www.learningwithvodafoneidea.in">www.learningwithvodafoneidea.in</a>. Project has benefitted around 3 Lakh students and 12000 teachers across 2200 schools. More than 6.64 Lakh students have registered on scholarship portal and more than 25,000 students have received a scholarship</p>	2020-21	Two Years	54	19	54	Completed

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total Amount allocated for the project (In ₹ Mn)	Amount spent on the project in the reporting Financial Year (In ₹ Mn)	Cumulative amount spent at the end of reporting Financial Year (In ₹ Mn)	Status of the project – Completed/ Ongoing
3		<b>Health Entrepreneurs – Diagnostic Tests:</b> Building on the learnings from the project of past years, this year the project aims to screen school children for Anaemia and build Community Health Entrepreneurs (CHE). The project has conducted diagnostic test for anaemia of 3 Lakh students. It has also raised awareness among the people about the significance of diagnostic tests in general and on critical parameters of anaemia in particular.	2020-21	Two Years	3	3	3	Completed
4		<b>Financial literacy – Jaadu Ginni Ka:</b> Jaadu Ginni Ka: Using the power of mobile technology, Vodafone Foundations' flagship programme on financial literacy aims to create awareness amongst youth, urban poor, farmers, artisans, rural women, micro-entrepreneurs, students (15 years and above) on the basic tenets of financial planning/ management and on several government schemes. To make the people aware with the basic aspects of day to day financial things and seven customized vans in association with CSC academy were started under its Gali- Gali Gaon component.	2020-21	Two Years	21	1	21	Completed
5		<b>Connecting for Good</b> The project aims to foster an ecosystem for promoting use of technology in addressing	2020-21	Two Years	12	12	12	Completed

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total Amount allocated for the project (In ₹ Mn)	Amount spent on the project in the reporting Financial Year (In ₹ Mn)	Cumulative amount spent at the end of reporting Financial Year (In ₹ Mn)	Status of the project – Completed/ Ongoing
		social challenges and empower NGOs to drive innovation, disseminate knowledge and upscale their interventions for greater impact through two distinct areas: Social App Hub and Solution for Good. Social App Hub, is a crowdsourcing platform, curating mobile solutions with social impact. Social App Hub features over 800 apps and offers a plethora of knowledge.						
6		<b>Vi Scholarships</b> The project aims to provide financial support to deserving students and acknowledge outstanding teachers for their academic endeavours. Under the initiative, deserving students and outstanding teachers are recognised.	2020-21	Two Years	36	36	36	Completed
7		<b>Digital Village: Empowering Communities – RSV:</b> The project aims to create rural micro entrepreneurs by leveraging the strength of technology and support to rural women in setting up local supply chain system right from procurement of raw produce to finishing and selling of these products by local rural women. 6200+ rural women are directly benefitted under the project. They have been trained on setting up processing centres, use of RSV mobile application to sell agro food products and managing end to end activities.	2020-21	Two Years	30	10	30	Completed
<b>Total</b>					<b>409</b>	<b>115</b>	<b>409</b>	

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details):**

- (a) **Date of creation or acquisition of the capital asset(s):** None
- (b) **Amount of CSR spent for creation or acquisition of capital asset:** Nil
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable
- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

- 11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5)** : Not Applicable. The average net profits calculated for last three Financial Years is negative for the Financial Year 2021-22. However, Ministry of Corporate Affairs (MCA) has directed the Company to spend the unspent CSR obligation aggregating to ₹ 727 Mn for Financial Years 2015-16 and 2016-17 in 8 quarterly instalments of ₹ 91 Mn each, commencing from April – June 2019. MCA had granted your Company an extension of one quarter in disbursement and reporting. Additionally, MCA has directed the Company to spend the unspent CSR obligation of ₹ 228 Mn for Financial Year 2017-18 in 8 equal instalments over 8 quarters, commencing from April 2021. Accordingly, the Board of the Company had passed a resolution to spend the unspent CSR obligation for Financial Year 2017-18 in eight equal quarters beginning from April–June 2021. In the Financial Year 2021-22, the Company has spent ₹ 229 Mn, which includes ₹ 115 Mn towards completion of obligations of Financial Years 2015-16 and 2016-17 and ₹ 114 Mn towards 4 out of 8 Quarters obligation in respect of Financial Year 2017-18. The Company's CSR initiatives continued during the difficult pandemic year and applied its technology strength and positively impacted the lives of around 25 Lakh people and 50 Lakh students (indirectly) across 33 States & UT through multiple initiatives undertaken in the domains of education, financial literacy, empowerment of women, healthcare, environment, agriculture & livelihood and eradication of poverty. **A summary of the programs and their impact is attached as Annexure A.**

**For and on behalf of the Board of Directors of Vodafone Idea Limited**

**Ravinder Takkar**

Managing Director &  
Chief Executive Officer

**Neena Gupta**

Chairperson – Corporate Social  
Responsibility Committee

Date: May 9, 2022

## Vodafone Idea CSR programs and their Impact

### 1. Jigyasa

Vodafone Idea Foundation's flagship programme in education – Jigyasa – aims to build knowledge for life and addresses some of the most pressing concerns faced by education sector in India by building the capacity of teachers, introducing digital content in the classroom to make learning and teaching more enjoyable, and also augment the existing digital infrastructure as needed.

The project has positively impacted thousands of teachers and students across five states in North India. As digital teaching increased due to COVID-19 and lockdowns, teachers needed to learn digital tools and skills and create impactful and creative content. Jigyasa training and exposure to digital platforms such as Gurushala bridged that gap and increased learning outcomes.

The project has benefitted this year around 1.5 Lakh teachers across partner schools and over 50 Lakh students (indirectly). Our initiative has not only empowered teachers to teach better but also helped in developing a joyful learning environment in schools. Learning outcomes of students have also significantly improved as a result of our training, simple and easy to find content in local languages and deeper understanding of digital tools.

As lockdowns continued and schools remained shut, several of our teachers started Mohalla Paathshallas where teachers and volunteers taught students using Gurushala content at community level. This turned out to be a boon for students as they could continue their education while being safe from the pandemic.

As part of KPMG's Impact Assessment of Jigyasa, a numeracy test (essential addition, subtraction, multiplication etc.) was conducted amongst our student beneficiaries. It was found that more than 97% of students scored well in the numeracy test. This figure is two to four times higher than findings from the Annual State of Education Report 2018 across various classes.

### 2. Jaadu Ginni Ka

Using the power of mobile technology, Vodafone Foundations' flagship programme on financial literacy - Jaadu Ginni Ka, aims to create awareness amongst youth, urban poor, farmers, artisans, rural women, micro-entrepreneurs, students (15 years and above) on the basic tenets of financial planning/management and on several government schemes.

To make the people aware with the basic aspects of day to day financial things and 29 customized vans in association with CSC academy were started under its Gali-Gali Gaon-Gaon component. Our association with CSC has been extremely vital as it has enabled us to bring financial and digital literacy to the doorsteps of underserved community members through customized outreach vans in 45 districts across the country.

More than 9 Lakh people – almost half of them women – were trained in financial literacy last year.

**Jaadu Ginni Ka has resulted in beneficiaries making informed choices and more prudent financial behaviour.**

Some key findings from the impact assessment conducted by NABCONs are as follows:

- 99.04% of people have found the knowledge shared by the JGK trainers to be useful;
- 99% of the beneficiaries indicated that they were able to manage their finances by regularly saving from their income efficiently; and
- Post-training, there is an increase of 29% in the number of people managing their savings by depositing in saving account of a bank or post office.

### 3. Connecting for Good

Vodafone Idea Foundation's Connecting for Good programme aims to foster an ecosystem for promoting use of technology in addressing social challenges and empower NGOs to drive innovation, disseminate knowledge and upscale their interventions for greater impact through two distinct areas:

Social App Hub and Solution for Good.

- **Social App Hub**, is a crowdsourcing platform, curating mobile solutions with social impact. Social App Hub features over 800 apps and offers a plethora of knowledge.

- **Solution for Good** focuses on building innovative technology solutions that addresses the social challenges and have large scale replicability. Some of the solutions developed so far are:
  - Girl Rising – a mobile game that helps in breaking gender stereotypes
  - MyAmbar – a safety and well-being toolkit for women in distress
  - The ManagR – a programme and financial management tool for NGOs
  - DigiSakshar – on-demand digital literacy platform
  - ChildLine CRS – a mobile-friendly case reporting system for children in distress
  - Share Food Share Joy – a food donation solution for NGOs

The project continues to help civil society organizations increase the impact of their work as they leverage technology innovatively. This year our solutions have received more than 2 Lakh downloads and are being used extensively by these organizations and socially conscious users.

#### 4. Vi Scholarships

Vodafone Idea Scholarships aims to provide financial support to deserving students and acknowledge outstanding teachers for their academic endeavours.

Leveraging our scholarship portal – [www.learningwithvodafoneidea.in](http://www.learningwithvodafoneidea.in), Vi Scholarships have helped thousands of teachers and students continue their education as despite challenging circumstances created by the pandemic.

The programme also addresses a fundamental issue in education ecosystem – discovering scholarships, for which, we have developed a scholarship discovery and assistance platform [www.learningwithvodafoneidea.in](http://www.learningwithvodafoneidea.in). More than 1.5 Lakh students have registered on our scholarship portal and more than 10,000 students have received a scholarship through our efforts.

Last year, we supported 110 teachers and 1500 students and provided them much needed support which they used to pay for their school fees, procure essential digital equipment and books as needed. Additionally, for wards of our beneficiaries who had lost one or both of their parents due to COVID-19, we initiated a special scholarship in which we are providing them ₹ 30,000 over two years.

#### 5. Digital Village: Empowering Communities – RSV

The project aims to create rural micro entrepreneurs by leveraging the strength of technology and support to rural women in setting up local supply chain system right from procurement of raw produce to finishing and selling of these products by local rural women (RUDIBens). During the year 4000+ RUDIBens from Uttar Pradesh, Madhya Pradesh and Rajasthan and 4300+ RUDIBens from Gujarat of previous years were supported under the project. They have been trained on setting up processing centres, use of RSV mobile application to sell agro food products and managing end to end activities. These rural women are managing and running the processing centers which has helped them in improving their socio economic condition, bringing them in digital literate fold. The project helped the people in getting their daily use household products at their doorstep during the pandemic period. Additionally under the project dry ration kit were distributed to project beneficiaries who were impacted by COVID-19, skill training were supported to families whose earning member passed away due to COVID-19 and school going children of such families were supported with scholarship so that the children can continue their study.

#### 6. Smart Agri: Leveraging Technology for Self-Subsistence to Enterprise Farming

The project aims to improve the farm productivity, reduce input cost, enhance income of farmers etc. using IoT Solutions (automated weather station, soil moisture sensors, crop view camera, insect trap etc.) deployed in the farm field. During the year much appreciated project was expanded to Uttar Pradesh and Rajasthan and also continued support to farmers of Maharashtra and Madhya Pradesh. During the year additional 1.09 Lakh farmers alongwith 55000+ farmers of previous year were supported under the project and provided real time information (farm advisory) related to weather, soil moisture, pest etc. for timely farm inputs. Farmers are also provided regular training and handhold support to apply correct and



timely farm inputs. Today more than lakhs of farmer are getting timely farm input which has helped them in improving the income and reduction of input cost. The project is one of its kind in agriculture sector domain.

The project has been widely acknowledged at different platforms and during the year has received three coveted awards – British Business Group Award, CII's Digital Excellence Award for Most Innovative Practice and ET Telecom Award.

## **7. Facilitating COVID-19 Vaccination of underserved communities**

As part of Vodafone Idea CSR's COVID-19 response, we partnered with Ministry of IT's Common Service Centre to facilitate registration of 10 Lakh underserved people, disadvantaged groups, senior citizens, slum dwellers, daily wage workers etc. The vaccination drive under this initiative was carried out in 31 States and UT of India with the help of CSC's Village Level Entrepreneurs (VLEs) and leveraged Government of India's COWIN portal. A total of 4023 VLEs spread across 518 districts became part of this mega drive and helped citizens successfully register for COVID-19 vaccination on the platform using CSC mobile application/web portal.

Additionally, we provided dry rations for a year to our deserving project beneficiaries, and disbursed scholarships to 500 students who were severely impacted by COVID-19. We have also established a skilling programme so that next of kin of COVID-19 deceased are able to earn their livelihood in a meaningful way.

**ANNEXURE 'C'****Form AOC-2**

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto for Financial Year 2021-22:**

1. Details of contracts or arrangements or transactions not at arm's length basis: None
2. Details of material contracts or arrangement or transactions at arm's length basis:

	Particulars	Information
(a)	<b>Name(s) of the related party and nature of relationship</b>	Indus Towers Limited (Indus) Joint Venture of Promoter Group
(b)	<b>Nature of contracts/ arrangements/ transactions</b>	Master Service Agreement (MSA) for Passive Infrastructure services and related Operations & Maintenance services.
(c)	<b>Duration of the contracts/ arrangements/ transactions</b>	The maximum term of each tenancy service contract executed for each passive infrastructure site under the MSA is 7 to 10 years or more year, with either party having a right to terminate, subject to certain conditions.
(d)	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	Passive Infrastructure services are provided by Indus mainly on co-sharing basis for each Passive Infrastructure site, after obtaining necessary approvals, which enables the Company to deploy active equipment on sites for providing telecom services. The aggregate value of the transaction for Financial Year 2021-22, towards availment of services from Indus is ₹ 94,468 Mn.
(e)	<b>Date(s) of approval by the Board, if any; and Audit Committee</b>	Audit Committee : March 3, 2022 Board Meeting : March 3, 2022
(f)	<b>Amount paid as advances, if any</b>	Nil

**For and on behalf of the Board of Directors of Vodafone Idea Limited**

**Himanshu Kapania**

Chairman  
(DIN : 03387441)

**Ravinder Takkar**

Managing Director & Chief Executive Officer  
(DIN : 01719511)

Place: Mumbai  
Date: May 10, 2022

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

## ANNEXURE - D

### Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014.

#### A. CONSERVATION OF ENERGY

Indian telecom industry has been able to penetrate well across the country, where even the grid has not been able to reach in more than half a century. As per license conditions, a telecom operator needs to maintain network availability higher than 99.5%. Assured power 24x7 supply ranging from the load of 15 KW each is, therefore, a pre-requisite for any telecom tower site. One of the biggest challenges being faced now is power deficiency in most of the areas along with lack of power infra, considering the focus of the telecom sector on rural penetration. While expanding the network infrastructure exponentially across the geography of India, Vodafone Idea Limited ("VIL" or "Company") maintained the need for increasing energy efficiency and reducing energy consumption.

Accordingly, cost-effective energy-efficiency initiatives were continued across all spectrum of network expansion in the last Financial Year. This includes, more emphasis on infrastructure-sharing, deployment of high efficient network hardware, replacement of high consuming hardware with more efficient telecom hardware, increasing the energy efficiency of existing installations etc. The Company has recently also instituted an Energy and Carbon Management Policy.

#### (a) Steps taken or impact on conservation of energy:

During the year under review, several steps were taken for conservation of energy, some of which are listed below:

##### Networks

On the Network front, the Company continued to adopt environmentally sustainable practices in their transactions with the same foundational objectives laid down as part of Company's Energy and Carbon Management Policy.

- Consider Energy performance when operating VIL's infrastructure
- Continue with the procurement of most energy efficient Telecom Hardware
- Encourage Infrastructure Provider partners to adopt low carbon operations

The initiatives undertaken are as below:

- Over 75% of VIL BTS portfolio - Outdoor BTS (25% reduction in Energy consumption compared to Indoor BTS);
- Diesel elimination project initiated by VIL to reduce carbon footprint currently continued at over 16,000 sites;
- 100% of the telecom hardware procured by the Company is low power consuming telecom hardware;
- New Sites Deployment on Sharing Basis: >95% of the sites deployed were at existing 2G sites and/or shared sites as part of the mandated initiative to reduce carbon emissions and energy consumption;
- The Company continued active equipment energy saving initiatives like power saving features during low traffic period. All new packet-core deployments as well as new MSS/VoLTE circuit-core deployments use cloud architecture; and
- RET – solar based generation at over 2,400 tower co-owned sites.

#### Green IT

Apart from Network operations, the Company has also made conscious efforts to make its IT operations greener and more efficient. This has been made possible by adopting sustainable practices and new technologies as listed below:

- Cloud Computing & Virtualization: The Company has set-up multiple, inter-connected, high capacity servers to provide a huge resource pool and centralized management through Cloud computing enabling the delivery of Infrastructure as a Service (IaaS). This Cloud computing initiative has resulted in reduction of hardware footprint & energy consumption as well as optimal utilization of resources;
- Moving to MPS (Managed Print Services): The Company has initiated the process of deploying managed print services for the working environment;
- Electronic Billing: The Company constantly attempts to reduce the usage of paper, resulting in physical copies of bills and receipts. This is done through the deployment of best-in-class digital assets and user-friendly payment options. VIL promotes electronic billing to the customers and create awareness on its impact on environment;

- Video Conferencing: To reduce Green House Gases (GHG) emissions, the Company actively promotes the use of Video Conferencing (VC) as an alternative to travelling for meetings both inter and intra-city, especially for internal purposes;
- Night-watchman: A script was deployed at SCCM level, which checked for Powered ON & will shut down machines during off business hours; and
- Power saving features implemented to reduce energy consumption.

### Data Centre

Your Company has 1 National Data Centre; located at Airoli. The data center is well under the “Efficient” category on Standard Parameter of Power Usage Effectiveness (PUE). The Company measures Data Centre Energy efficiency on an ongoing basis and the Average PUE is 1.60 for Airoli and 1.80 for Hinjewadi (which falls under the “Efficient” Category). The following measures are being undertaken to reduce energy use and/or save energy and related emissions in your Data Centre:

- Water cooled chillers are used at Airoli Data Centre to reduce energy consumption;
- Hot & Cold Aisle concept for better air circulation in Data Centre - Usage of Pro-curtain for separation of cold aisle and hot aisle for better cooling. Cold aisle containment implemented to increase HVAC efficiency, saving on energy consumption and to reduce related emissions;
- Active Floor based cooling system - directing the cool air to the area where it is required rather than flooding the entire Area;
- False Flooring & False Ceiling void for better cooling;
- Different Temperature zones to reduce air loss;
- Thermal Insulation along the flooring/ceiling to reduce heat dissipation including Utility (UPS, Transformer, Battery, Panel) Rooms;
- Usage of Blanking panel in empty space of server Racks to reduce short cycling of cold air and hence for improved HVAC efficiency;
- Usage of Precision Air Conditioner (PAC) - Non DX units (without compressor and HVAC gases);
- Variable Frequency Drives (VFDs) have been installed in the Data Center’s HVAC systems to automatically reduce the speed and power consumption of motors when there

is lower system load including chilled water pump motors and cooling tower fan motors;

- Based on power audits and an extensive study of energy usage, various initiatives have been undertaken over the years to optimize the usage of electricity, such as:
  - Identification and rectification of hot spots; and
  - Optimization of lighting and AC Usage (By utilizing LED and occupancy sensor).
- Advanced chilled water optimization routines are a part of the Airoli chilled water system;
- Implemented LED lighting system in DC and most of the office floors and also office area lighting is scheduled and on need basis in areas where the actual staff is present after the office hours. By practicing this VIL is achieving power saving without compromising lux level in required office areas;
- Reduction in frequency of Daily DG Test Run, which has resulted in saving of fuel & DG running hours without compromising the reliability/Availability of Data Centre backup power;
- Carrying all the planned preventive maintenance activities of the Utility systems like HT Panels, Transformers during the scheduled MSEB Power shutdown, which has resulted in reducing the DG running hours/Fuel Consumption.

### Facilities

- Your Company is working to reduce its Carbon footprint by adoption of newer technologies and changing the consumption mix to include more renewable energy generators. The Company’s new Projects are conceptualized giving high priority to the energy efficient design. The Company operates with lux levels below 300 and keeps a good mix of natural and artificial illumination for conserving energy.
- Your Company’s office facilities have lighter surface colours and patterns, which absorb less and contribute to better lighting. The Company uses a combination of energy efficient CFL and LED lighting for illumination at our facilities. However new projects have all LED fittings.
- In Air-conditioning space, your Company uses star rated Bureau of Energy Efficiency (BEE) certified air conditioners in our facilities. The Company also uses VRV systems apart from the energy efficient chiller plants in your facilities.
- The Company’s Energy Management includes regular monitoring of energy consumption of different types

of loads on a daily basis and helps the Company to take corrective measures on an immediate basis. The Company's average square feet consumptions have reduced over a period and match the benchmarks for office space.

- Some of the other measures in the Company's office premises include:
  - Usage of Electronic ballasts instead of Copper ballasts for improved efficiency and reduction in energy consumption and emissions;
  - Usage of logic controlling for emergency lights, which automatically is set on during power failure;
  - VRV and inverter based Air conditioning is being used in office area instead of a centralized system;
  - Switching off all non-critical loads (office AC, lights, unused meeting rooms/cabins etc.) after working hours; and
  - Switching off all FACADE lights near to outer glass of premises.
- Your Company is replacing existing CFL based lighting fixtures to LED based fixtures on OPEX model for older facilities to achieve 100% conversion to lesser consumption loads.
- All new facilities are being designed to conform to LEED certification standards. This will ensure lesser energy and water consumption per sq. ft. basis and also reduce the Company's carbon footprint.

**(b) Steps taken by the Company for utilizing alternate sources of energy:**

The following initiatives have been undertaken by the Company in the previous years, to utilize alternate sources of energy, and the same installations continued to be service in Financial Year 2021-22 also.

**Off-Site Renewable Energy (RE) Deployment:** This concept was initiated in past years based on Carbon abatement principle. In Financial Year 2021-22 we have the following renewable PPA:

- 3 MW Solar PPA in Andhra Pradesh;
- 1.3 MW Wind PPA in Karnataka;
- Tamil Nadu (including Chennai) –
  - o We are one of the parties utilizing the 8.6 MW Wind PPA and 2.75 MW Solar PPA.
  - o In addition there is dedicated 0.6 MW Wind PPA.
  - o Moreover there is a dedicated 5.3 MW Solar PPA.

- 2.5 MW Solar/Wind PPAs in Maharashtra Circle;
- 1 MW Solar PPA in Madhya Pradesh; and
- In addition we also have 2 hydro PPA of 0.5 and 0.6 MW hydro for Delhi.

**(c) The capital investment on energy conservation equipment:**

The capital investment on energy conservation equipment was not material during the Financial Year ended March 31, 2022.

**B. TECHNOLOGY ABSORPTION**

**a) Efforts made towards technology absorption**

The Company owns and operates its telecom network adaptation and innovation using its own resources. The focus of your Company is to enhance its 4G data broadband connectivity across the country. The Indian market has been experiencing explosive growth in mobile broadband services, fueled by affordable smartphone devices and a plethora of applications that are influencing social lifestyles. This is driving a continuous requirement for additional capacity and spectrum, in order to provide a best-in class user experience to subscribers. Unprecedented loading of the network with scarce spectrum, limited infrastructure, and right-of-way challenges for fiber layout has caused the Company to seek non-traditional ways for densification and optimization of its networks. The Company has embraced new technologies to overcome these challenges.

The Company has been able to offer seamless connectivity solutions to our customers through the deployment of Wi-Fi and Small Cell technologies at strategic locations, leading to an improved data experience for our customers.

As part of our operating model, the Company has also partnered with some of the leading Technology companies of the world which helps in implementing new technologies to manage our operations.

**b) Benefits derived like product improvement, cost reduction, product development or import substitution**

The cost of implementation of operations network is most optimal due to in-house handling of planning and designing. The speed to market was much better in terms of rural rollout and rollout of 4G sites due to strong in-house competency.

The Company owns and operates its telecom network Adaptation and Innovation using its own resources. Structured internal trainings are imparted to the team of engineers for their skill development and grooming.

With the help of latest technology, we have transformed our network in an environment-friendly manner by deploying 'green' base stations, reducing power consumption, converting a majority of units into outdoor units, and eliminating the need for air-conditioning.

**c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

The Company has not imported any technology in the given period, only telecom equipment was imported.

**d) Expenditure incurred on Research and Development (R&D)**

None

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Total foreign exchange used and earned for the year:

(a) Total Foreign Exchange Earnings : ₹ 27,327 Mn

(b) Total Foreign Exchange Outgo : ₹ 35,692 Mn

**For and on behalf of the Board of Directors of  
Vodafone Idea Limited**

**Himanshu Kapania**

Chairman  
(DIN : 03387441)

**Ravinder Takkar**

Managing Director &  
Chief Executive Officer  
(DIN : 01719511)

Place: Mumbai

Date: May 10, 2022

## ANNEXURE 'E'

### Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 are as under:**

#### Directors

The Non-Executive Directors are not paid any remuneration except sitting fees for attending the meetings of the Board and/or Committee thereof, which is within the limits prescribed under the Companies Act, 2013. Further, with effect from August 31, 2018, only Independent Directors are entitled for sitting fees as decided by the Board.

As the remuneration, by way of sitting fees, is not related to the performance or profit of the Company, the ratio of remuneration of each Director to the median employees remuneration is not computed.

#### Key Managerial Personnel

S r. No.	Name of KMP and Designation	Remuneration for FY 2021-22 (₹ in Lacs)	% increase in Remuneration in FY 2021-22	Ratio of remuneration of each KMP to median remuneration of employees
1.	Mr. Ravinder Takkar Managing Director & Chief Executive Officer (w.e.f. August 19, 2019)	-	Note (a)	Note (a)
2.	Mr. Akshaya Moondra Chief Financial Officer	519.10*	15%	46.35
3.	Mr. Pankaj Kapdeo Company Secretary	142.48*	10%	12.72

#### Notes:

(a) Mr. Ravinder Takkar has been appointed as Managing Director & Chief Executive Officer of the Company with effect from August 19, 2019. He is not drawing any remuneration from the Company. As he is not drawing any remuneration, the increase in remuneration and the ratio of remuneration to median remuneration is not applicable.

\* The remuneration includes special incentive paid in the Financial Year 2021-22.

(ii) **The percentage increase in the median remuneration of the employees of the Company for the Financial Year 2021-22**

The median remuneration of the employees in the Financial Year 2021-22 was increased by 8.1%, as compared to the Financial Year 2020-21.

The Median Remuneration of Employees of the Company during the Financial Year 2021-22 was ₹ 11.2 Lacs.

(iii) **The number of permanent employees on the rolls of the Company**

There were 8,760 permanent employees on the rolls of Company as on March 31, 2022.

(iv) **Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2021-22 and its comparison with the percentage increase in the managerial remuneration**

The average increase in the remuneration of employees excluding KMPs during Financial Year 2021-22 was 8% and the average increase in the remuneration of Key Managerial Personnel was 13.9%.

(v) **Affirmation that the remuneration is as per the remuneration policy of the Company**

The remuneration of Directors was as per the Remuneration Policy of the Company.

# ANNEXURE 'F'

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

**The Members,  
Vodafone Idea Limited,  
Suman Tower, Plot No. 18,  
Sector-11,  
Gandhinagar - 382011**

Sir,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vodafone Idea Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives in electronic form using the Information Technology Tools during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit year covering the year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(vi) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head / groups of Acts, Laws and Regulations as applicable to the Company is as under:

1. Telecom Regulatory Authority of India Act, 1997 and the rules and regulations made thereunder.
2. Department of Telecommunication guidelines and License Agreements.



We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors of the scheduled Board Meetings, Agenda and detailed notes on agenda were sent at shorter notice of all the Board meetings during the year, and the same was consented by all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions in the Board is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that an Extraordinary General Meeting of the Company was held on 26<sup>th</sup> March, 2022; to interalia consider the following agenda items:**

- 1) Amendment to the Articles of Association

- 2) Issuance and allotment upto 3,38,34,58,645 (Three Hundred & Thirty Eight Crore Thirty Four Lacs Fifty Eight Thousand Six Hundred & Forty Five) equity shares of face value of ₹ 10/- each of the Company for cash at a price of ₹ 13.30 (including a premium of ₹ 3.30) per equity share aggregating upto ₹ 4,500 Crore to Promoter & Promoter Group.
- 3) Issuance of securities upto an aggregate amount of ₹ 10,000 Crore.
- 4) Alteration in the Authorised Share Capital of the Company and consequential amendment in the Capital Clause of the Memorandum of Association of the Company for increasing the existing Authorised Share Capital of ₹ 5,00,00,00,00,000 (Rupees Fifty Thousand Crore only) divided into 48,50,00,00,000 (Four Thousand Eight Hundred and Fifty Crore) equity shares of ₹ 10/- each and 1,500 (One Thousand Five Hundred) redeemable cumulative non-convertible preference shares of ₹ 1,00,00,000/- (Rupees One Crore only) each to ₹ 7,50,00,00,00,000 (Rupees Seventy Five Thousand Crore only) divided into 70,00,00,00,000 (Seven Thousand Crore) equity shares of ₹ 10/- each and 5,00,00,00,000 (Five Hundred Crore) Preference Shares of ₹ 10/- each by:
  - (a) creating additional 21,50,00,00,000 (Two Thousand One Hundred and Fifty Crore) equity shares of ₹ 10/- each, aggregating to ₹ 2,15,00,00,00,000;
  - (b) cancelling 1,500 redeemable cumulative non-convertible preference shares of ₹ 1,00,00,000/- each, which are currently unissued; and
  - (c) creating additional 5,00,00,00,000 (Five Hundred Crore) Preference Shares of ₹ 10/- each, aggregating to ₹ 50,00,00,00,000.

**Umesh Ved**  
**Umesh Ved & Associates**  
**Company Secretaries**  
**FCS No.: 4411**  
**C.P. No.: 2924**  
**UDIN: F004411D000299607**

Place: Ahmedabad  
 Date : May 10, 2022

To,  
**The Members,  
Vodafone Idea Limited,  
Suman Tower, Plot No. 18,  
Sector-11,  
Gandhinagar-382011**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**Umesh Ved  
Umesh Ved & Associates  
Company Secretaries**

FCS No.: 4411

C.P. No.: 2924

UDIN: F004411D000299607

Place: Ahmedabad

Date : May 10, 2022

# ANNEXURE 'F-1'

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**You Broadband India Limited**

10th Floor, Birla Centurion,  
Century Mills Compound,  
Pandurang Budhkar Marg,  
Worli Mumbai - 400030,  
Maharashtra, India

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **You Broadband India Limited** (hereinafter called the "Company") Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing opinion thereon.

Based on our verifications of the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>ST</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, and Minute Books, Forms and Returns filed and other records maintained by **You Broadband India Limited** as given in **Annexure - I** for the Financial Year ended on 31<sup>ST</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not applicable to

the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The other Laws applicable specifically to the company is Annexed with this Report as **Annexure- II**.

The Company is not listed on any Stock Exchange in India hence compliance related to Securities and Exchange Board of India Regulations is not applicable to the Company and only clause (i), (iii) and (vi) are applicable to the Company.

We have also examined Compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

The company has complied with the secretarial standard issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board Meetings at least seven days in advance. Further a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**We further report that** during the audit period, the following specific events were held:

1. During the year under review the company has appointed Mr. Vineet Choraria as the Company Secretary of the company with effect from 22nd December, 2021.

For **Aabid & Co**  
Company Secretaries

**Mohammed Aabid**  
**Partner**

Membership No.: F6579

COP No.: 6625

UDIN: F006579D000285088

Place: Mumbai

Date: May 7, 2022

To,

The Members,

**You Broadband India Limited**

Plot No. 54, Marol Co-operative Industrial Estate,  
Makwana, Andheri East 400059 Maharashtra

Our report of even date is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance laws, rules and regulations, and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**ANNEXURE – I**

**List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March, 2022.
3. Minutes of the meetings of the Board of Directors, Audit Committee, held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 164 (2) and 184 (1) of Companies Act, 2013.
7. E-forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
8. Statutory Registers under Companies Act, 2013

**ANNEXURE – II**

**List of other laws specifically applicable to the Company**

1. The Maternity Benefit Act, 1961.
2. The Payment of Gratuity Act, 1972.
3. The Maharashtra Shops & Establishment Act, 1972
4. The Employee's State Insurance Act, 1948.
5. Employee's Compensation Act, 1923.
6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
7. The Employees Provident Funds and Miscellaneous Provisions Act, 1952
8. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975

## ANNEXURE 'F-2'

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

**Vodafone Idea Shared Services Limited**

(CIN: U64204MH2016PLC287257)

10<sup>th</sup> Floor, Birla Centurion Century Mills Compound

Pandurang Budhkar Marg, Worli

Mumbai- 400030

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vodafone Idea Shared Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, provided in electronic form as per the representation of the Company is duly maintained as required under the Companies Act, 2013 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

The Company being unlisted public Company, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company. However Secretarial Audit is applicable as the Company is material subsidiary of Vodafone Idea Limited (a Company listed at BSE Limited & NSE Limited).

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, to the extent applicable. The changes in composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. Some meetings of the Board were also convened at shorter notice to transact urgent business in compliance of section 173 of the Act wherein detailed notes on agenda were provided in such meetings. Majority decision is carried through unanimously and contrasting / contradictory views of members, if any are captured and recorded as part of the minutes.

**We further report that** as per the representation/information provided by the Company and its authorized representatives there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

**For Priti J Sheth & Associates  
Company Secretaries**

**Priti Sheth**

FCS: 6833

COP: 5518

Date: May 7, 2022

UDIN-F006833D000286211

To,

The Members

**Vodafone Idea Shared Services Limited**

(Formerly known as Vodafone India Ventures Limited)

Our Secretarial Audit Report dated 07<sup>th</sup> May 2022 is to be read along with this letter.

**We report that**

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and happening of events etc.

- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Priti J Sheth & Associates  
Company Secretaries**

**Priti Sheth**

FCS: 6833

COP: 5518

Date: May 7, 2022

UDIN-F006833D000286211

# ANNEXURE 'F-3'

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Connect (India) Mobile Technologies Private Limited**  
(CIN: U32202GJ1999PTC126231)  
2<sup>nd</sup> Floor, Block-A, Vodafone House,  
Corporate Road Prahlad Nagar, off S G Highway  
Ahmedabad GJ 380051 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Connect (India) Mobile Technologies Private Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, provided in electronic form which, as per the representation of the Company is duly maintained as required under the Companies Act, 2013 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

The Company being subsidiary of unlisted public Company, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, to the extent applicable. The changes in composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. Some meetings of the Board were also convened at shorter notice to transact urgent business in compliance of section 173 of the Act and detailed notes on agenda were provided in such meetings. Majority decision is carried through unanimously and contrasting / contradictory views of members, if any are captured and recorded as part of the minutes.

**We further report that** as per the representation/information provided by the Company and its authorized representatives there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

**For Priti J Sheth & Associates  
Company Secretaries**

**Priti Sheth**

FCS: 6833

COP: 5518

Date: May 6, 2022

UDIN- F006833D000282757



To,

The Members

**Connect (India) Mobile Technologies Private Limited**

(CIN: U32202MH1999PTC120818)

Our Secretarial Audit Report dated 06<sup>th</sup> May 2022 is to be read along with this letter.

**We report that**

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and happening of events etc.

- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Priti J Sheth & Associates  
Company Secretaries**

**Priti Sheth**

FCS: 6833

COP: 5518

Date: May 6, 2022

UDIN- FO06833D000282757

# ANNEXURE 'F-4'

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Vodafone Idea Communication Systems Limited**  
(Formerly known as Mobile Commerce Solutions Limited)  
(CIN: U74900GJ2008PLC125479)  
2<sup>nd</sup>Floor, Block-A, Vodafone House,  
Corporate Road Prahlad Nagar,  
off S G Highway Ahmedabad GJ 380051 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vodafone Idea Communication Systems Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, provided in electronic form which as per the representation of the Company is duly maintained as required under the Companies Act, 2013 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

The Company being unlisted public Company, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, to the extent applicable. The changes in composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. Some meetings of the Board were also convened at shorter notice to transact urgent business in compliance of section 173 of the Act and detailed notes on agenda were provided in such meetings. Majority decision is carried through unanimously and contrasting / contradictory views of members, if any are captured and recorded as part of the minutes.

**We further report that** as per the representation/information provided by the Company and its authorized representatives there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

**For Priti J Sheth & Associates  
Company Secretaries**

**Priti Sheth**

FCS: 6833

COP: 5518

Date: May 6, 2022

UDIN- F006833D000282768

To,

The Members

**Vodafone Idea Communication Systems Limited**

(Formerly known as Mobile Commerce Solutions Limited)

(CIN: U74900GJ2008PLC125479)

Our Secretarial Audit Report dated May 6, 2022 is to be read along with this letter.

**We report that**

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and happening of events etc.

- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Priti J Sheth & Associates  
Company Secretaries**

**Priti Sheth**

FCS: 6833

COP: 5518

Date: May 6, 2022

UDIN- F006833D000282768

# ANNEXURE 'F-5'

## FORM NO. MR.3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

### **VODAFONE IDEA MANPOWER SERVICES LIMITED**

(Formerly known as Idea Cellular Services Limited)

Suman Tower Plot No. 18, Sector No. 11,

Gandhinagar, Gujarat 382011.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VODAFONE IDEA MANPOWER SERVICES LIMITED** (Formerly known as Idea Cellular Services Limited) (hereinafter called the "Company") during the financial year ended 31st March 2022. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances/ board process and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the electronic data provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxation granted by the Ministry of Corporate Affairs ("MCA") warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records available to us and maintained by the Company for the Financial Year ended on March 31, 2022 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made there under, as may be applicable;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - **Not Applicable**
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; - **Not Applicable**

Other major Statutes, Acts, Laws, Rules, Regulations, Guidelines and Standards etc., applicable to the Company, as per the details provided by the management of the company, are given below:

- (i) Maharashtra Shops and Establishments Act, 1948; and Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017.
- (ii) Maharashtra Labour Welfare Fund Act, 1953;
- (iii) The Minimum Wages Act, 1948;
- (iv) Payment of Wages Act 1936 and Payment of Wages (Amendment) Act, 2017;
- (v) The Equal Remuneration Act, 1976;
- (vi) The Maternity Benefits Act, 1961 and The Maternity Benefit (Amendment) Act 2017:
- (vii) Contract Labour (Regulation and Abolition) Act, (for branches where ever applicable), 1970;
- (viii) Payment of Bonus Act, 1965 ;
- (ix) Professional Tax Act, 1975;
- (x) Payment of Gratuity Act, 1972; The Payment of Gratuity (Amendment) Act, 2018
- (xi) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013;
- (xii) The Employment Provident Funds and Miscellaneous Provision Act, 1952.

Provisions of the following Regulations and Guidelines prescribed are **not applicable** to the Company, since the company is not listed on any of the Stock Exchange(s) in India, for the financial year ended March 31, 2022 under report:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined the compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Company, being an unlisted Public Limited company, has not entered into any Listing Agreement and hence the same is not commented upon, however Secretarial Audit is applicable as the Company is material subsidiary of Vodafone Idea Limited (a Company listed at BSE Limited & NSE Limited).

We further report that examination / audit of financial laws such as direct and indirect tax laws has not been carried out by us as a part of this Secretarial Audit.

**We further report** that the Board of Directors of the Company is duly constituted, the company being wholly owned subsidiary of Vodafone Idea Limited, appointment of independent director is exempted vide MCA circular 09/2017 dated 5<sup>th</sup> September, 2017, further the Company is not required to comply with Section 177 and Section 178 with respect to Audit Committee and Nomination and Remuneration Committee. The changes in the composition of

the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The Board Meetings were held at shorter notice after obtaining necessary consent from directors and same have been duly noted in Board meeting Minutes. The agenda and detailed notes on agenda were sent at Shorter Notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All resolutions/decisions including Circular Resolutions of the Board of Directors are approved by the requisite majority and are duly recorded in the respective minutes.

Majority decisions are carried through and recorded in the minutes and there were no dissenting members for any decisions in the Board meetings during the period under review.

**We further report** that, as per the information provided by the management, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific or material corporate events/actions undertaken by the Company which have a major bearing on the Company's affairs in respect of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Anish Gupta & Associates  
Company Secretaries**

**Anish Gupta  
Proprietor**

FRN:I2001MH236100

FCS: 5733, CP No. 4092

UDIN: FO05733D000266763

Place: Mumbai

Date: May 4, 2022

*Note: This report is to be read with our letter of even date which is annexed as "Annexure A" herewith and forms an integral part of this report.*

## “ANNEXURE A”

To,

The Members,

**VODAFONE IDEA MANPOWER SERVICES LIMITED**

*(Formerly known as Idea Cellular Services Limited)*

Suman Tower Plot No. 18, Sector No. 11,  
Gandhinagar Gujarat 382011.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures and systems on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. “In view of the restrictions imposed by the Government of India on the movement of people across India to contain the spread of COVID-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data for verification of certain records as the physical verification was not possible.”

**For Anish Gupta & Associates  
Company Secretaries**

**Anish Gupta  
Proprietor**

FRN: I2001MH236100

FCS: 5733, CP No. 4092

UDIN: F005733D000266763

Place: Mumbai

Date: May 4, 2022

## ANNEXURE 'G'

### DIVIDEND DISTRIBUTION POLICY

#### 1.0 INTRODUCTION

- 1.1 As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Vodafone Idea Limited (the "Company") is required to formulate and disclose a dividend distribution policy. Accordingly, the Board of Directors of the Company (the "Board") has approved this Dividend Distribution Policy (the "Policy").
- 1.2 The objective of this Policy is to provide clarity to stakeholders on the circumstances in which shareholders of the Company may or may not expect dividend, and specify the factors that will be taken into account while declaring dividend. The Board shall recommend dividend in compliance with this Policy, the provisions of the Companies Act, 2013 and the rules thereunder and other applicable law.

#### 2.0 TARGET DIVIDEND PAYOUT

- 2.1 Subject to applicable law, the Board shall declare or recommend dividend as follows:
- (a) if the Leverage Ratio falls below 3:1, dividend of such amount as may be determined by the Board; and
  - (b) if the Leverage Ratio falls below 2.5:1, an amount equal to one hundred per cent. (100%) of:
    - (i) the excess cash of the Company and its Subsidiaries as at the end of the last completed financial year as determined by the Board by majority resolution; or
    - (ii) if the Board has not passed a resolution to distribute the excess cash of the Company and its Subsidiaries in accordance with (i) above, then the Free Cash Flow of the Company for such financial year,

in each case, *plus* any additional amounts (such additional amounts to be determined by the Board) in respect of any previous financial year(s) that would, but for any of the restrictions referred to in this Policy, have been so distributed but which have not been so distributed and can then be distributed.

- 2.2 Subject to paragraph 2.1 above, the Company shall declare dividends at least once in each financial year and shall be entitled to make interim distributions.

#### 3.0 FACTORS TO BE CONSIDERED FOR DIVIDEND PAYOUT

For purposes of determination of the amount of dividend to be declared or recommended pursuant to paragraph 2.1(a) of this Policy, the Board will consider various internal and external factors, including but not limited to the following:

- Leverage profile and capital adequacy metrics
- Stability of earnings
- Cash flow position from operations
- Future capital expenditure, inorganic growth plans and reinvestment opportunities
- Industry outlook and stage of business cycle for underlying businesses
- Overall economic/regulatory environment
- Contingent liabilities
- Past dividend trends
- Buyback of shares or any such alternate profit distribution measure
- Payment of Annual instalment of AGR liability pursuant to Hon'ble Supreme Court judgment in AGR matter
- Any other factor as deemed fit by the Board

#### 4.0 PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES

Presently, the issued and paid-up share capital of the Company comprises of equity shares only. If the Company issues other kinds of shares, the Board may suitably amend this Policy.

#### 5.0 RETAINED EARNINGS

Subject to paragraph 2.1 of this Policy, retained earnings may be used for the Company's growth plans, working capital requirements, debt repayments and other contingencies.

## 6.0 REVIEW

This Policy is subject to revision/amendment on a periodic basis.

## 7.0 DISCLOSURE

This Policy (as amended from time to time) will be available on the Company's website and in the Annual Report.

## 8.0 DEFINITIONS

8.1 "EBITDA" means the consolidated profit before tax of the Company as per the Financial Statements for that relevant period after adding back: (a) any amount attributable to amortisation of intangible assets and goodwill, and depreciation of tangible assets; (b) Finance Charges; (c) items treated as exceptional; and (d) Integration Costs, in each case, to the extent added, deducted or taken into account, as the case may be, in determining the consolidated profit before tax of the Company as per the relevant Financial Statements;

8.2 "Finance Charges" means, for any relevant period, the aggregate amount of interest, commission, fees, discounts, prepayment penalties or premiums, Forex Losses or Gains (if net losses) and other finance payments in respect of Financial Indebtedness whether accrued, paid or payable in respect of that relevant period, net of any treasury income (representing income from investing surplus cash in securities as per the treasury policy of the Company), or interest or similar income and Forex Losses or Gains (if net gains) whether accrued, received or receivable, and:

- (a) including the interest element of leasing and hire purchase payments;
- (b) including the mark-to-market gains or losses, whether realised or unrealised, on foreign exchange rate and interest rate derivative financial instruments; and
- (c) including any amounts in the nature of interest payable in respect of any shares other than ordinary equity share capital;

8.3 "Financial Indebtedness" means any borrowings or indebtedness appearing in the consolidated balance sheet for or in respect of:

- (a) moneys borrowed;
- (b) Deferred Payment Obligation for Spectrum;

- (c) accrued interest payable;
- (d) any interest bearing amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;
- (e) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (f) the amount of any liability in respect of any finance lease;
- (g) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (h) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing under Ind AS;
- (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and
- (j) shares which are expressed to be redeemable or shares or instruments convertible into shares (other than compulsorily convertible instruments),

provided in each case that there shall be no double-counting of any indebtedness;

8.4 "Financial Statements" means in relation to the Company the consolidated quarterly financial statements of the Company and its subsidiaries prepared under Ind AS;

8.5 "Forex Losses or Gains" means the net foreign exchange gains or losses with respect to Financial Indebtedness denominated in a currency other than INR;

8.6 "Free Cash Flow" means, in respect of any accounting period, EBITDA less net interest and other net financial expenses, less tax payments, less net change in working capital, less tangible capital expenditure, less intangible capital expenditure, plus net proceeds from asset sales but, for the avoidance of doubt, before



net proceeds from borrowings, in all cases as determined in accordance with the accounting policies of the Company and by reference to the Financial Statements;

- 8.7 “Integration Costs” means costs incurred on or after August 31, 2018 in connection with the combination of the Company and Vodafone India Limited, which would not have been incurred otherwise;
- 8.8 “Leverage Ratio” means, at any time, the ratio of the Net Financial Debt to LTM EBITDA, each of which shall have been determined with reference to the same time;
- 8.9 “LTM EBITDA” means, at any time, the EBITDA (by reference to the Financial Statements) for the 12 (twelve) months up to the end of the most recent calendar quarter ended 31st March, 30th June, 30th September or 31st December. Where LTM EBITDA requires EBITDA to be determined for periods prior to August 31, 2018, EBITDA for these periods shall be taken from the Financial Statements and the Vodafone Financial Statements and aggregated;

8.10 “Net Financial Debt” means, at any time, the aggregate amount of all obligations of the Company for or in respect of Financial Indebtedness at that time but:

- (a) deducting the aggregate amount of cash and cash equivalent investments held by the Company at that time; and
- (b) deducting the aggregate amount of interest receivable by the Company at that time,

and so that no amount shall be included or excluded more than once; and

8.11 “Vodafone Financial Statements” means the consolidated financial statements of Vodafone India Limited and its subsidiaries prepared for group reporting purposes under IFRS.

## 9.0 GENERAL

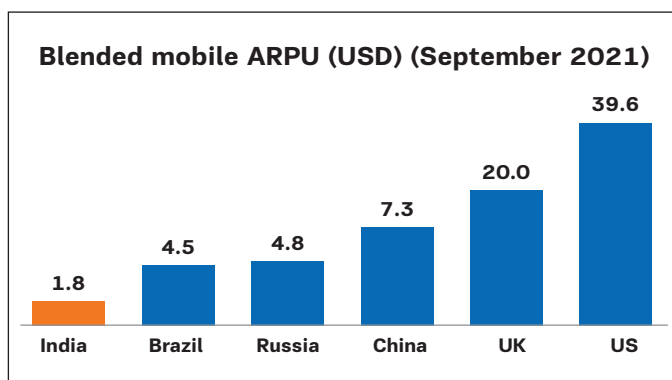
Any questions or clarifications relating to this Policy should be addressed to the Company Secretary at [pankaj.kapdeo@vodafoneidea.com](mailto:pankaj.kapdeo@vodafoneidea.com).

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

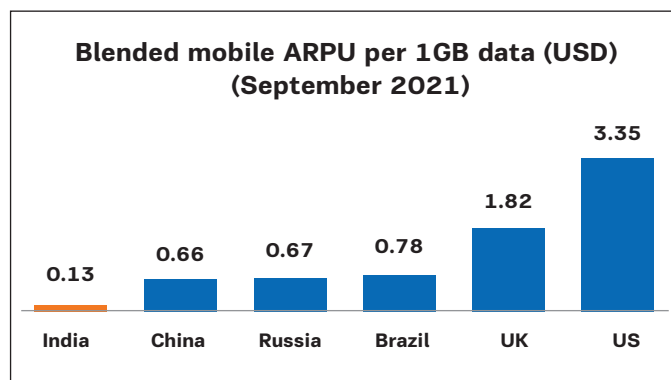
## INDIAN WIRELESS SECTOR

The wireless sector remained the firm backbone of India's digital infrastructure, during the period when COVID-19 caused unprecedented and unforeseen challenges across the world. Through these difficult and challenging times, the mobile operators played a critical role in providing seamless connectivity to millions of Indians. While the operating environment continues to remain challenging with unsustainable tariffs, increasing digital penetration remains a massive opportunity for the telecom industry. Increasing data consumption, especially through video, social media usage as well as increasing online commerce is driving strong demand for high speed internet which is expected to further increase in future. All the telecom operators with their massive network investments, are well placed to benefit from the ongoing digitalization trend.

In a major industry development, all the operators have taken tariff interventions during the year across all unlimited prepaid bundled plans, entry level combo voucher plans as well as post-paid plans. While the tariff interventions have helped drive ARPU improvement during the year, the industry continues to operate with unsustainably low tariffs. India continues to have the lowest tariffs globally, while the proliferation of unlimited data bundles have led to India having one of the highest data usage (per subscriber) in the world. Further, the ARPU levels remain lower in comparison to historic trends, despite the fact that the consumer gets much more value in terms of unlimited voice and daily data allowances, compared to five years ago. Your company, thus, believes the market will be able to absorb further tariff hikes at a regular intervals, which is essential for operators to generate reasonable returns on their capital employed and support future investments, including new technologies.



Source: GSMA Intelligence Database based on spot USD FX as of September 2021



Source: GSMA Intelligence Database

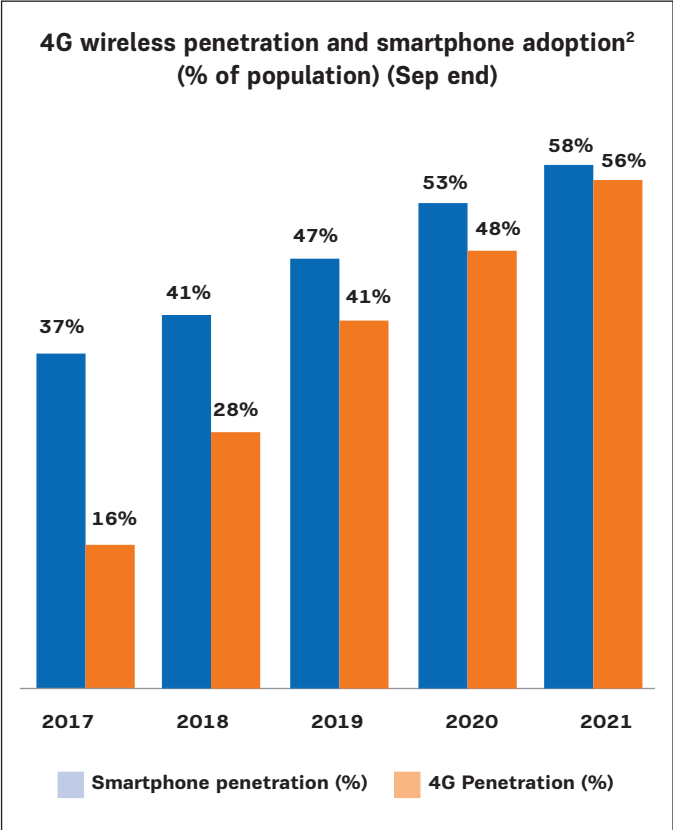
India continues to remain an attractive market for telecom industry despite the past challenges of hypercompetition and subsequent financial stress in the sector. The consolidation of the industry to three large private operators and one government operator positions the surviving operators well to benefit from the growth opportunities on the back of India's digitalization trend. India has a compelling macro-economic backdrop with growing and resilient Indian economy and has huge market potential underpinned by large and growing population. India's young population, rapid urbanization and growing middle class ensure a growing subscriber base in the target demography. The overall tele-density for India as of March 2022 stood at 83.1% suggesting there is still a proportion of population, yet to start using mobility services. This holds true especially for rural areas where tele-density is still low at 57.9%, which remains a significant opportunity for the Indian telecom operators.

The continued accessibility to mobile services and low priced tariffs has spurred the growth and deployment of wireless broadband internet. Mobile broadband is the primary medium to access internet in India as the lack of adequate wired internet infrastructure restricted its growth only to major cities. As of March 2022, the wireless broadband subscribers base of 761 Mn in India was almost 28 times compared to 27.3 Mn wired broadband subscribers (source: TRAI). While the industry continues to witness robust 4G subscriber addition, at 56% 4G penetration (as a % of population), it's still lower compared to developed countries and will remain an incremental opportunity for the Indian telecom operators. 4G penetration is estimated to further increase to 76% by 2025, as per GSMA intelligence.

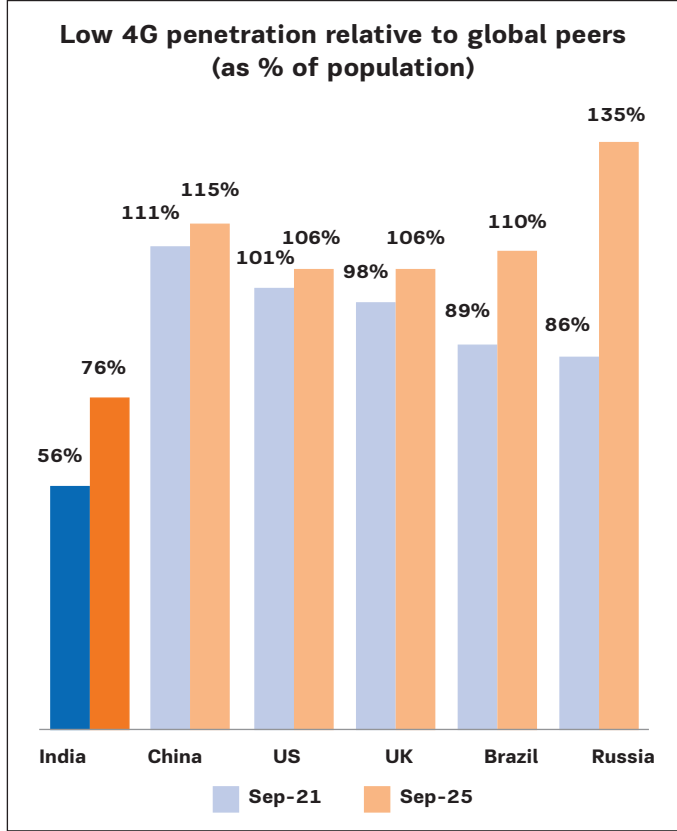
On September 15, 2021, the Government announced a comprehensive reform package for the Indian telecom sector including measures to address the structural, procedural and liquidity issues. To address the immediate liquidity concerns of the sector, Government had provided an option of up to four years of moratorium on AGR dues and spectrum instalments due between October 2021 and September 2025 with an

option to convert interest arising from such deferment into equity upfront. Your company has already opted for deferment of Spectrum and AGR dues as well as conversion of interest arising from such deferment into equity. Other reforms include clarity on AGR definition, reduction in bank guarantees, removal of penalty and reduction of interest for delay in payment of LF and SUC etc. All these reforms are expected to provide long term benefit to all the operators, including your Company. The reforms package and the implementation has been welcomed by all stakeholders of your Company including the banks and investors.

During the year, TRAI had initiated consultation on 5G auctions to take the industry’s inputs on pricing, quantum, timing, among other things. All the operators had requested the pricing of 5G spectrum to be reduced by 90-95% and operators be given lenient payment terms like no upfront payments, so that capital is not tied up in spectrum commitment, but is deployed to enable 5G network investments. TRAI has incorporated several of the operators’ requests and the pricing has come down by ~35%. An option of making annual payments over the life of spectrum as against a large upfront payment has also been provided. Your company continues to engage with TRAI and DoT on this matter and auctions are expected to happen in financial year 2022-23.



Source: GSMA intelligence database



Smartphones have been the epicenter of India’s phenomenal data growth story as an average Indian spends approximately 5 hours daily on a smartphone which is one of the highest averages globally (Source: Nokia – India Mobile Broadband Index 2021). Smartphone penetration has seen significant growth in the last 5 years and now stands at 58%. This is backed by factors like high growth in the number of smartphone users, including growth in rural areas, usage of OTT platforms, social media, e-learning, online shopping and companies leaning towards hybrid/flexi working models. The strong growth in smartphone users and the evolving capabilities of 4G and 5G networks open a much larger addressable market for sectors where internet is needed.

The ongoing digital revolution offers significant growth opportunities to the Indian telecom operators. As a part of the Digital India Vision, Indian government leads the ambition of US\$1 trillion economy based on unlocking US\$500 billion value from new and emerging digital ecosystems. Due to increase in digital adoption in all forms, usage of digital payments also increased. As per National Payments Corporation of India (NPCI) data, UPI monthly transactions as of March 2022 is US\$128 billion, nearly 400 times compared to March 2017, reflecting the exponential increases in digital payments. The COVID-19 pandemic further acted

as a catalyst accelerating adoption of digital infrastructure. As there has been a shift from physical stores to digital engagement channels, your Company has also witnessed significant increase in digital recharges compared to pre-pandemic level.

Acceleration of IoT, growing OTT consumption, rapid adoption in gaming and ecommerce open up deep addressable markets across all digital verticals for Indian telcos, as wireless connectivity remains the key enabler. Further, the telecom operators are not just offering voice and data services, but also a suite of digital service applications, own as well as through partnerships, and are thus transitioning from being pure telecom service providers to integrated digital service providers offering entertainment, information, cloud and storage services.

## DISCUSSION ON VODAFONE IDEA'S OPERATIONAL PERFORMANCE

### Mobile Business overview

Your Company, an Aditya Birla Group and Vodafone Group partnership, is a major telecommunication operator in India, offering Voice, Data, and other Value Added Services (“VAS”), business connectivity services including IoT, Cloud, managed services etc. Your Company is continuously engaged in developing world-class infrastructure to introduce newer and smarter technologies for its retail and enterprise customers. Your Company aims to offer future ready technologies with innovative offerings that can be accessed conveniently through an ecosystem of digital channels as well as extensive presence on the ground.

#### 1. Voice Services

Your Company offers Voice services in all 22 service areas. Your Company now covers more than 1.2 Bn Indians in over 487,000 census towns and villages with its Voice services. Your Company also provides 4G VoLTE across all 22 circles to provide enhanced voice experience to its 4G subscribers. Your Company also offers Voice over WIFI (VoWiFi) calling feature for its subscribers in several circles which is gradually expected to expand to rest of the country.

#### 2. Broadband Services

Your Company provides broadband data services on 3G and 4G platforms in all 22 service areas of India. Your Company's broadband coverage is available in over 338,000 census towns and villages, covering more than a billion of the Indian population. The population coverage on 4G is more than 1 Bn as well, as of March 31, 2022. During Financial Year 2021-22, your Company has been shutting down its 3G network, while it continues to focus on expansion of its 4G network, your Company has thus seen a steady rise in

4G subscriber penetration (as a percentage of reported subscribers) increasing from 42.4% in Q4FY21 to 48.4% in Q4FY22. As your Company continues to focus on 4G network expansion, 4G subscriber penetration should further improve in the coming years.

#### 3. Content and Digital Offerings

Your Company has launched several digital initiatives during the year to address the changing requirements of today's digital society enabling individuals and enterprises to get a range of benefits and value-adds. Vi offers not just enriched connectivity but also an array of digital products and services to complement the core business.

To provide best in class content to its customers through the application Vi Movies and TV, your Company has tied up with various content creators and OTT apps like Voot Select, Fireworks, Sun NXT, Shemaroo Me, Hoichoi, Lionsgate Play, Hungama, TV Today, Discovery and others. The app provides a range of content including Movies, Live TV, TV shows, latest originals and short formats videos in 16+ languages. Additionally, your Company has tie ups with leading content providers like Amazon Prime, Hotstar, Zee5 and Netflix for its premium customers.

During the year, Vi has integrated Vi Movies & TV app content with Vi app to allow easier access without having to download multiple apps. With this integration now Vi users can watch movies, web series, over 400 Live TV channels on Vi app. In line with focus to offer the best of entertainment services to its customers, your company also recently launched Music service on Vi app for all its customers in association with Hungama Music. As Vi continues to strengthen its partnership portfolio, your company partnered with Nazara Technologies a premiere gaming and investment firm to launch Vi's first gaming service. Lastly, your company has launched Vi Jobs & Education on the Vi App in partnership with 'Apna' that offers free priority access to India's largest job listing, 'Enguru', an English learning platform, and 'Pariksha', a mock test platform which facilitates preparation for government jobs.

#### 4. Other VAS Offerings

Your Company offers a variety of other Value Added Services (VAS) offerings, including:

- Entertainment services such as sports (score updates), IVR based content, WAP based games;
- Voice and SMS based services such as caller tunes, voice and SMS chat, star talk, expert advice and subscriptions services; and
- Utility services such as missed call alerts, doctor on call, astrology services etc.

## Long Distance Services and ISP

Your Company holds licenses for NLD, ILD, ISP and IP-1 services. These licenses are used to carry inter-circle voice traffic of your Company and also bring incoming voice traffic from top international carriers across the globe in to India. Your Company also sends all of the outgoing International Voice traffic on its own network and the interconnections with these licenses enable it. These licenses also help your Company to offer various Enterprise Fixed Voice and Data Services to external customers like Enterprise, Government and Wholesale customers. Vodafone Idea ISP currently handles all captive subscriber traffic requirements.

## Business Services

Vi Business provides total communications solutions to empower global and Indian corporations, public sector & government bodies, small & medium enterprises and start-ups. With well-established enterprise mobility, robust fixed line connectivity, world-class IoT solutions and insightful business analytics & digital solutions, your company brings the smartest and newest technologies to serve businesses in the digital era. With the advantage of its global expertise and knowledge of local markets, Vi Business endeavours to

Below table provides the spectrum held by your Company across all service areas:

### Liberalised Spectrum

Circle	900	1800	2100	2300	2500	Total
						FDD x 2 + TDD
Andhra Pradesh	5.0	6.6	5.0	-	10.0	43.2
Assam	-	25.0	5.0	-	20.0	80.0
Bihar	-	13.4	5.0	-	10.0	46.8
Delhi	10.0	10.6	5.0	-	20.0	71.2
Gujarat	11.0	20.8	10.0	-	30.0	113.0
Haryana	12.2	15.8	15.0	-	20.0	106.0
Himachal Pradesh	-	11.2	5.0	-	10.0	42.4
Jammu & Kashmir	-	17.0	5.0	-	10.0	54.0
Karnataka	5.0	15.0	5.0	-	-	50.0
Kerala	12.4	20.0	10.0	10.0	20.0	114.8
Kolkata	7.0	15.0	10.0	-	20.0	84.0
Madhya Pradesh	7.4	18.6	5.0	10.0	20.0	92.0
Maharashtra	14.0	12.4	15.0	10.0	30.0	122.8
Mumbai	11.0	10.2	10.0	-	20.0	82.4
North East	-	25.8	5.0	-	20.0	81.6
Odisha	5.0	17.0	5.0	-	20.0	74.0

be a trusted and valued partner for businesses in a digital world. In Vi Business, as VIL progresses on the journey from **telco to techco**, your Company continues to strengthen engagement with customers with a range of offerings like Vi Integrated IoT, an end to end IoT solution, Managed SIP, Vi Cloud Firewall Service and Vi Business Plus bundled mobility offering.

## Competitive Strengths

### 1. Competitive Spectrum Profile

Your Company has a total of 1,768.4 MHz of spectrum across various frequency bands out of which 1,738.4 MHz spectrum is liberalised and can be used towards deployment of any technology (2G, 3G, 4G or 5G). Your Company acquired 23.6 MHz of spectrum in March 2021 auction across 900 and 1800 MHz in 5 circles as well as optimized spectrum holding in some circles. With this spectrum purchase, 1,340.4 MHz of spectrum has been acquired through auctions between year 2014 and 2021 and is having the validity until 2034 to 2041. This large spectrum portfolio across 22 circles allows the Company to create enormous broadband capacity and ability to offer superior customer experience.

Circle	900	1800	2100	2300	2500	Total FDD x 2 + TDD
Punjab	5.6	15.0	10.0	-	10.0	71.2
Rajasthan	6.4	10.0	15.0	-	20.0	82.8
Tamil Nadu	5.0	11.4	15.0	-	-	62.8
Uttar Pradesh (East)	5.6	10.0	20.0	-	20.0	91.2
Uttar Pradesh (West)	5.0	15.0	10.0	-	20.0	80.0
West Bengal	7.4	23.4	5.0	-	20.0	91.6
<b>Total Liberalised</b>	<b>135.0</b>	<b>339.2</b>	<b>195.0</b>	<b>30.0</b>	<b>370.0</b>	<b>1,738.4</b>
Administrative Spectrum	6.2	8.8	-	-	-	30.0
<b>Total Spectrum</b>	<b>141.2</b>	<b>348.0</b>	<b>195.0</b>	<b>30.0</b>	<b>370.0</b>	<b>1,768.4</b>

## 2. Extensive Network Infrastructure and Coverage

Your Company has a strong network footprint across the country which enables it to offer comprehensive consumer offerings as well as have substantial capacity spectrum to address the growing data demand. Your Company has large network assets in the form of 2G, 3G, 4G equipment and country wide Optical Fibre Cable (OFC). Your Company has ~185,000 unique towers across 487,000 census towns and villages covering more than 1.2 billion of Indian population. Your Company has over 455,000 broadband (3G+4G) sites across over 338,400 census towns and villages. Your Company's broadband coverage stands at over a billion Indian population with presence in 169,016 unique broadband locations as of March 31, 2022. The 4G population coverage stands at over 1 billion as well, as of March 31, 2022. Your Company has a combined portfolio of over ~289,000 km of OFC including own built and Indefeasible Right of Use (IRU) OFC, and excluding overlap. Your Company also has Pan India Voice over LTE (VoLTE) services and has also started to offer VoWiFi services in select circles, which will be gradually rolled out in rest of the country.

Your Company continues to focus on enhancing its 4G infrastructure. During the year, your Company continued to aggressively upgrade its 3G network to 4G. Your Company has been deploying LTE on TDD band of 2300 MHz and 2500 MHz spectrum band to expand the capacity and on 900 MHz band on select sites to improve customer experience in dense areas. Your Company has also been investing in 5G ready infrastructure including cloudification of core enabling it to provide 5G services in line with the evolution of the ecosystem. Your Company continues to deploy Dynamic Spectrum Re-farming (DSR), and Small Cells to maximize spectrum efficiency. Massive MIMO deployment of your Company remains the largest in India.

## 3. Large Subscriber Base

Your Company has 243.8 Mn subscribers as of March 31, 2022, of which 118.1 Mn were 4G subscribers. As your Company is expanding its 4G coverage and capacity, this large subscriber base provides a great platform to upgrade voice only customers to users of data, content and other digital services.

## 4. Power Brand

Your brand **VI**, which was launched in September 2020, continues to garner strong awareness, building brand affinity across all customer segments in the country. Your company continues to make extensive progress on the marketing front by communicating key differentiators and entering into various alliances, introducing various innovative products and services.

Brand Vi is building a competitive advantage by increasing customer engagement and heralding a new digital ecosystem with the introduction of Music, Games, jobs & education services. Vi partnered with Hungama Music which was extensively promoted on TV, digital, PR & for a 360 integrated campaign packing impact. Your Company also launched Vi Games during the year consisting of 1000+ games including exclusive titles from Disney and Pixar. In line with your Company's brand philosophy to enabling its customers to thrive, Vi launched Jobs and education services on the Vi app, by partnering with Apna, Enguru and Pariksha which will help youth to have an equal opportunity of access to services like finding jobs & professional networking, learning to speak English and preparation of government exams. All these initiatives have been extensively promoted across TV, Digital as well outdoor media, which is leading to stronger perception, improving customer engagement as well as brand affinity. Vi Brand has won several industry recognitions. Vi won

a bronze award for the best media innovation on TV award for it is #VilsHere campaign at EMVIES 2022. Vi was also recognised as the buzziest brand during IPL 2021 and also won the Gold & Silver award at the Indian Digital Marketing Awards (IDMA) 2021.

### Overview of Key strategic initiatives

Your Company's core priority has been to focus on providing superior customer experience and drive differentiation through partnerships, all this with the aim of improving cash generation in existing businesses and drive monetization in the new revenue streams. Post realization of merger synergies, your Company had undertaken a cost optimization exercise and realized incremental opex savings of 90% of the targeted ₹ 40 Bn annualized savings on a run rate basis as of end of Calendar Year 2021. Below are the ongoing major strategic initiatives to improve your Company's revenue and profitability as well as to strengthen its overall position in the market:

#### 1. Focus on Network Investments

Your Company, since merger, had a focused approach to investments, biased towards its profitable areas, to utilize its capex effectively while ensuring superior customer experience. Your Company is driving incremental 4G investments in its 17 priority circles, which contribute 98% of its revenue and 93% of industry revenue, to further strengthen its position in these markets. While most of the incremental capex is being directed towards these 17 circles, your Company will continue to invest in profitable districts of the remaining 5 circles and remains committed to ensuring seamless connectivity in these 5 circles.

During Financial Year 2021-22, your Company has focused on refarming 2G & 3G spectrum to 4G, which has added incremental 4G sites with minimal capex for software upgrade. Your Company has closed around 32,000 3G sites during the year, while adding around 35,000 4G FDD + TDD sites. Resultantly, our broadband site count is moderately higher YoY at 455,264 vs 452,650 a year ago. The re-farming of 3G spectrum to 4G on majority of sites in various cities has substantially enhanced the GIGAnet 4G capacity which is now over 2.9x compared to September 2018, just after the merger. During the year, your Company has also invested in upgrading the core and transmission network. Your Company has also been driving fiberization of 4G sites to support capacity expansion and the overall fiber footprint stands at ~289,000 km, including own built as well as IRU, excluding overlapping routes.

Your Company's relentless pursuit to have the best 4G network, through integration and incremental network

investments post-merger, is clearly visible through the top rankings across various third party reports on both data and voice. Your Company also had the highest rated voice quality in the country as per TRAI's "MyCall" app data for 15 out of 17 months consecutively between November 2020 and March 2022. This is not only providing a great experience for its customers but also helping your Company drive stronger network perception leading to better customer response in the market.

While your Company is currently in the middle of its 4G capex cycle, it is also deploying equipment which is 5G ready on both radio and core. Your Company has already deployed and using an array of 5G technologies such as Massive MIMO, DSR, Open RAN, Cloudification of core etc. Your Company's focus on leveraging new technologies and partnerships for a better tomorrow for Vi users, has led us to showcase a wide range of 5G use cases for enabling smart cities, smart infrastructure, smart auto, smart sports training, remote healthcare, connected schools, drone based surveillance, gaming and many others, during 5G trials in Pune and Gandhinagar, to make enterprises and citizens smarter. During the 5G trials, your Company displayed many industry first use cases like "Network slicing", "VoNR" (Voice over New Radio) as well as several use cases related to enterprise and B2C.

#### 2. Market initiatives to improve ARPU

Your Company's priority remains on driving ARPU improvement. During the year, your Company has taken several tariff interventions specifically, effective November 25, 2021, your Company increased the prepaid tariffs across all price points including unlimited plans as well as combo vouchers. All these initiatives are ARPU accretive, benefits of which are reflected in ARPU improvement from ₹ 107 in Q4FY21 to ₹ 124 in Q2FY22.

While all these tariff interventions are steps in the right directions and will help in improving the ARPU, however such changes are not material enough to solve the structural issue that the industry is facing. Tariff hike remains critical to revive the sector and pricing structure has to change where operators have the ability to charge customers for incremental usage. India has amongst the lowest ARPUs in the world despite having one of the highest data usage per subscriber. Your Company believes the market will be able to absorb further tariff hikes, which is essential to operators to generate reasonable returns on their capital employed and support future investments, including investment towards advance technologies.

While tariff hike remains critical to improve the overall industry health, your Company has undertaken several market initiatives to improve ARPU with focus on driving 4G/UL plan penetration. Your Company has been running several campaigns in select locations to incentivize 2G handset customers upgrading to 4G devices including cashback on monthly recharges, 0% Interest EMI Schemes on Device Financing and attractive offers on refurbished devices, in conjunction with OEMs and NBFCs.

As a part of Customer excellence drive, your Company continues to aggressively focus on digitalization of customer servicing as well acquisition across all touch points with a clear focus towards shift to digital. Your Company now has digital acquisition across major cities in India, for both prepaid and postpaid customers, including same day door step delivery and digital KYC processes, serviced through its dedicated delivery partners as well as own stores.

### 3. Focus on Business Services and new fast growing segments

Business Services will always remain a strength area for your Company given its long standing relationships with its enterprise customers and global know how of Vodafone Group, which provides strong platform for future growth in this segment. Your Company is well positioned in enterprise offerings across the industry verticals and will strive to further improve its position with focus on fast growing segment of IoT solutions, cloud offerings, carrier services etc.

Your Company is progressing ahead in its stated strategy of transformation from Telco to TechCo. The planned expansion of services beyond connectivity has seen good traction. Your Company has been working with partners and customers to build Private LTE solutions to drive Industry 4.0. In new business streams, Vi Business continues to maintain strong positioning in IoT offerings which is an emerging segment and has potential to grow multi fold in the near future amid Government's push towards 'Digital India' and 'Smart Cities'. With Vi Integrated IoT Solutions, Vi Business is the only telecom company in India to offer a secure end-to-end IoT solution, across industries, for Smart Infrastructure, Smart Mobility and Smart Utilities. Your Company has seen numerous deployments on Smart mobility, Smart Infrastructure solutions across FMCG, Manufacturing and Automotive sectors. The Integrated IoT solutions are powering EV ecosystem across the value chain of tracking, battery monitoring and charging infrastructure management.

Your Company is working on the cloud strategy through a combination of own assets and strategic partnerships in

order to accelerate digital transformations for enterprises. The award winning digital experience offerings such as Vi App, Vi Business-Wireline & Vi Business-Mobility are allowing organizations to manage from anywhere and at any time with least manual intervention. Your company's technology leadership in IoT eSIM and Mobility eSIM has been globally recognized by Counterpoint in their L.E.A.D.E.R benchmark for eSIM ecosystem. Vi Business has also been recognized by Frost & Sullivan for Indian Cellular IOT Connectivity Service Provider Company of the Year 2022 and Indian SIP Trunking Technology Innovation Leadership Award 2022. Vi Business has been chosen as the preferred partner of choice for Internet of Things (IoT), SIP Trunk, Telecom Carrier (Mobile Access) and Managed Mobility Services in CIO Choice 2022, on the basis of an extensive Pan-India CIO referral voting process that spans across industry verticals.

### 4. Driving Partnerships and Digital Revenue streams

Your Company is aggressively executing its digital strategy through partnerships, with the objective to become a true integrated digital services provider. Your Company offers "best-in-class" content in partnership with several global and regional content aggregators. During the year, your Company launched Music service on Vi app for our entire base. The service has been launched in partnership with Hungama Music. With this integration, Vi users can now listen to music on Vi app free for 6 months, for both android users and iOS users. In another major initiative, your Company integrated Vi Movies & TV app content with Vi app to allow easier access without having to download multiple apps. With this integration, Vi users can watch movies, web series, over 400 Live TV channels on Vi app.

During the year, your Company has launched several digital offerings for its customers over and above content. Your Company partnered with Nazara Technologies a premiere gaming and investment firm to launch first gaming service, under Vi Games, accessible from Vi App by all Vi users. Your Company has also launched a new service - Vi Jobs & Education on the Vi App in partnership with "Apna" that offers free priority access for Vi customers to India's largest job listing. Further, your Company has partnered with leading English learning platform 'Enguru' which gives free access to Vi customers to some of the interactive, gamified, industry specific self-learning modules. Vi Jobs & Education has also partnered with 'Pariksha' which offers the aspirants preparatory support for Central/State Govt. jobs.

On the back of all these digital initiatives, your Company has witnessed considerable growth in its Monthly Average Users (MAUs)



on the digital app and expects to witness further acceleration in financial year 2022-23. The focus on platform capabilities to build a digital ecosystem with the partners for a differentiated experience will help drive customer stickiness as well as provide incremental monetization opportunities.

Your Company has thus been making significant progress on various strategic initiatives and continues to strive towards transforming from a pure play mobile operator to a truly integrated digital service provider. Your Company is thus committed to delivering best-in-class services to their subscribers and bridging the digital divide that separates urban from rural.

### SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS BASED ON STANDALONE FINANCIAL

The key financial ratios are as under:

Particulars	2021-22	2020-21
Debtors turnover Ratio (number of days) <sup>1</sup>	23	23
Current Ratio <sup>2</sup>	0.47	0.44
Debt Equity Ratio <sup>3</sup>	(3.11)	(4.78)
Debt Service Coverage Ratio <sup>4</sup>	0.27	0.41
Interest Service Coverage Ratio <sup>5</sup>	0.38	0.53
Operating Profit Margin (%) <sup>6</sup>	(19)%	(16)%
Net Profit Margin (%) <sup>7</sup>	(74)%	(111)%
Return on Net Worth (%) <sup>8</sup>	NA <sup>7</sup>	NA <sup>7</sup>

<sup>1</sup> Debtors turnover Ratio (number of days) = (Average trade receivables/ Revenue from operations)\*Number of days during the period.

<sup>2</sup> Current Ratio = Current asset/ Current liabilities (excluding Short term borrowings).

<sup>3</sup> Debt Equity Ratio = Debt (excluding interest accrued but not due)/ Equity (Reduced mainly due to lower loss after tax incurred during the year).

<sup>4</sup> 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)]. (Reduced mainly due to higher repayment of borrowings as per agreement).

<sup>5</sup> 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]. (Reduced mainly due to higher finance costs).

<sup>6</sup> Operating Margin (%) = [Profit/(loss) before exceptional items and tax + Finance costs - Other Income] / Revenue from Operations.

<sup>7</sup> Net Profit Margin (%) = Net Profit/(loss) after tax / Revenue from operations (Reduced mainly due to higher exceptional items during the previous year).

<sup>8</sup> As the Net-worth is negative as on March 31, 2022 and March 31, 2021.

## DISCUSSION ON CONSOLIDATED FINANCIAL RESULTS

### Revenues

Revenue from operations for the Financial Year ended March 31, 2022 decreased by ₹ 34,367 Mn and stood at ₹ 385,155 Mn for Financial Year ended March 31, 2022 as compared to ₹ 419,522 Mn for Financial Year ended March 31, 2021, primarily due to decrease in IUC rates effective January 1, 2021.

Other Income comprising of interest income, gain on investments in mutual funds and others stood at ₹ 1,294 Mn for Financial Year ended March 31, 2022 as compared to ₹ 1,742 Mn for Financial Year ended March 31, 2021. The decrease is mainly on account of decrease in interest income amounting to ₹ 355 Mn, gain on investment in mutual funds by ₹ 224 Mn which is partially offset by increase in others by ₹ 131 Mn.

### Operating Expenses

Total operating expenditure decreased by ₹ 25,271 Mn from ₹ 250,065 Mn for the year ended March 31, 2021 to ₹ 224,794 Mn incurred for the year ended March 31, 2022.

**Employee Benefit Expenses:** Employee benefit expenses decreased by ₹ 2,949 Mn from ₹ 20,300 Mn for the year ended March 31, 2021 to ₹ 17,351 Mn for year ended March 31, 2022 primarily due to reduction in head count.

**Network Expense and IT Outsourcing Cost:** Network Expense and IT Outsourcing Cost increased by ₹ 2,244 Mn from ₹ 95,938 Mn for the year ended March 31, 2021 to ₹ 98,182 Mn for the year ended March 31, 2022 primarily due to increase in power and fuel expenses and repairs and maintenance-plant and machinery expenses to ₹ 56,579 Mn and ₹ 26,969 Mn for the year ended March 31, 2022 from ₹ 55,385 Mn and ₹ 25,407 Mn for the year ended March 31, 2021 respectively which is offset primarily by decrease in lease line and connectivity charges to ₹ 4,650 Mn for the year ended March 31, 2022 from ₹ 4,944 Mn for the year ended March 31, 2021.

**License Fees and Spectrum Usage Charges & Roaming and Access Charges:** License Fees and Spectrum Usage charges increased by ₹ 693 Mn from ₹ 41,295 Mn for the year ended March 31, 2021 to ₹ 41,988 Mn for the year ended March 31, 2022.

**Subscriber Acquisition and Servicing Expenditure:**

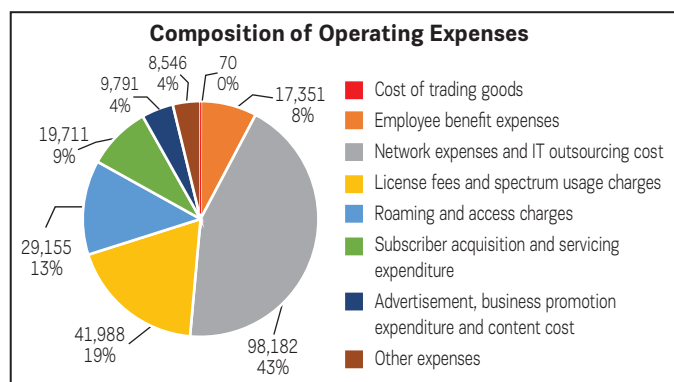
Subscriber Acquisition and Servicing Expenditure, increased by ₹ 2,034 Mn from ₹ 17,677 Mn for the year ended March 31, 2021 to ₹ 19,711 Mn for the year ended March 31, 2022 primarily due to higher amortization of cost capitalized.

**Advertisement, Business Promotion Expenditure and Content Cost:**

Advertisement, Business Promotion Expenditure and Content Cost increased by ₹ 1,916 Mn from ₹ 7,875 Mn for the year ended March 31, 2021 to ₹ 9,791 Mn for the year ended March 31, 2022 primarily due to increase in Advertisement and Business Promotion Expenditure.

**Other Expenses:** Other expenses decreased by ₹ 5,498 Mn from ₹ 14,044 Mn for the year ended March 31, 2021 to ₹ 8,546 Mn for the year ended March 31, 2022 primarily due to reduction in Support service charges.

The composition of total operating expenses (Amount in millions and %age to total operating expenses) are as follows:

**Earning before Finance Costs, Depreciation, Amortisation, Exceptional Items and Taxes (EBITDA)**

The EBITDA has decreased by ₹ 9,544 Mn from ₹ 171,199 Mn for Financial Year ended March 31, 2021 to ₹ 161,655 Mn for Financial Year ended March 31, 2022. EBITDA as a percentage of total Income increased to 41.8% compared to 40.6% for Financial Year ended March 31, 2021.

**Depreciation, Amortisation and Finance Charges**

The depreciation charge for the year has increased by ₹ 1,556 Mn from ₹ 145,013 Mn for Financial Year ended March 31, 2021 to ₹ 146,569 Mn for Financial Year ended March 31, 2022. The amortisation charge for the year has decreased by ₹ 2,098 Mn from ₹ 91,372 Mn for Financial Year ended March 31, 2021 to ₹ 89,274 Mn for Financial Year ended March 31, 2022.

Finance Charges for Financial Year ended March 31, 2022 increased by ₹ 29,827 Mn from ₹ 179,981 Mn to ₹ 209,808 Mn, primarily due to increase in interest on deferred payment obligation pursuant to AGR judgement during the year by ₹ 16,168 Mn and increase in interest on deferred payment liability towards spectrum mainly due to availment of moratorium and increase in forex loss.

**Exceptional Items**

Exceptional Items for the year ended March 31, 2022 amounting to ₹ 1,643 Mn comprises of (i) integration and merger related costs ₹ 764 Mn, (ii) accelerated depreciation on network re-alignment / re-farming ₹ (137) Mn, (iii) Gain on investment property ₹ 1,266 Mn and (iv) others ₹ (250) Mn.

**Profits and Taxes**

The loss before tax for the Financial Year ended March 31, 2022 stood at ₹ 282,341 Mn as compared to a loss of ₹ 442,534 Mn for Financial Year ended March 31, 2021. The loss after tax for Financial Year ended March 31, 2022 stood at ₹ 282,454 Mn as compared to a loss of ₹ 442,331 Mn for Financial Year ended March 31, 2021.

**Capital Expenditure**

During the Financial Year 2021-22, the capital expenditure (including capital advances and excluding RoU assets and Spectrum) incurred was ₹ 36,503 Mn. Further to the above, the Company has incurred ₹ 2,626 Mn towards Bandwidth.

**Balance Sheet**

The Gross and Net Block (including Capital Work in Progress and Intangible assets under development) stood at ₹ 2,947,708 Mn and ₹ 1,571,829 Mn respectively as at March 31, 2022. Investment in joint venture, associate and others stood at ₹ 53 Mn (net of provision for impairment) primarily due to share of profit in joint venture. Other financial assets increased by ₹ 21,969 Mn from ₹ 126,684 Mn to ₹ 148,653 Mn primarily due to increase in settlement asset and balances with banks. Other Assets decreased by ₹ 6,746 Mn from ₹ 226,442 Mn to ₹ 219,696 Mn primarily due to decrease in advance tax which is offset by increase in GST recoverable and Costs to obtain a contract with the customers.

The paid-up equity share capital of the Company increased by ₹ 33,834 Mn during the year pursuant to issuance of 3,383,458,645 equity shares on preferential basis to entities forming part of promoter / promoter group.

Other equity of the Company decreased from ₹ (669,634) Mn for Financial Year ended March 31, 2021 to ₹ (940,836) Mn for Financial Year ended March 31, 2022 mainly due to loss during the year ₹ 282,454 which is offset mainly by increase in securities premium. As on March 31, 2022, the total equity stood at ₹ (619,648) Mn as compared to the total equity of ₹ (382,280) Mn for Financial Year ended March 31, 2021.

Total borrowings increased by ₹ 106,074 Mn and stood at ₹ 1,909,177 Mn as on March 31, 2022 primarily due to annual accrued interest addition on spectrum obligation, new short term loan obtained which is off-set by loan repayment during the year.

Other financial liabilities increased by ₹ 24,337 Mn and stood at ₹ 569,052 Mn for Financial Year ended March 31, 2022 primarily due to increase in settlement liability, increase in lease liabilities and increase in accrual towards One Time Spectrum Charges (OTSC) which is primarily off-set by decrease in payables for capital expenditure and decrease in Security deposits from customers and others.

Other Liabilities and Provisions increased by ₹ 12,464 Mn from ₹ 69,246 Mn as on March 31, 2021 to ₹ 81,710 Mn as on March 31, 2022 mainly due to taxes, regulatory and statutory liabilities, deferred revenue and advance from customers.

Deferred Tax Liabilities as at March 31, 2022 stood at ₹ Nil as compared to ₹ 22 Mn as at March 31, 2021. Deferred tax assets as at March 31, 2022 stood at ₹ 60 Mn as compared to ₹ 23 Mn as at March 31, 2021.

### Cash Flow Statement

The cash generated from operations of ₹ 173,870 Mn, proceeds from allotment of equity shares under preferential issue of ₹ 44,997 Mn, proceeds from borrowings of ₹ 27,500 Mn, proceeds from sale of investment property of ₹ 1,870 Mn, interest received of ₹ 586 Mn, net sale of current investments amounting to ₹ 180 Mn and repayment of loan given to Joint Venture of ₹ 8 Mn was primarily used for net repayment of lease liabilities and borrowings of ₹ 150,038 Mn, payment towards capital expenditure (net of sale proceeds) ₹ 58,882 Mn, payment of interest and finance charges ₹ 27,997 Mn, payment towards Spectrum and Licenses - Upfront payment of ₹ 1,035 Mn and placement of fixed deposits with banks having maturity of 3 to 12 months of ₹ 30 Mn. Consequently, Cash and Cash Equivalents as at March 31, 2022 stood at ₹ 14,532 Mn.

### Human Resource Management

Your Company's people architecture has been built on the principles of being a consumer centric company with technology as the bedrock. The organization has equipped itself for high change agility, has embedded trust at the foundation of its people agenda, and has adopted digital as the first port of call for all solution building.

### Health & Safety and Pandemic care

At VIL, Health, Safety and Wellbeing (HSW) are not just priority, these are our core values. We are committed to "not doing business by putting people at risk". Safety and wellbeing of our employees and our partners have remained an area of utmost focus for us in yet another unprecedented year of the pandemic. Significant efforts were made in extending all possible support to our employees, their families, our partners as the country was swept by the second wave of COVID-19. To ensure proactive management of the situation, war rooms were set up all across the country to facilitate connect with doctors, provide access to hospital beds, oxygen support and all other medical, emotional and financial assistance. Insurance schemes were upgraded to include new features and support from Home Care support agencies were also extended to ensure our employees, their families and partners were adequately covered for exigencies.

The safety of our frontline teams have been of particular focus for us. We have followed a cautious approach to opening our offices and geography specific decisions were taken keeping the ground realities in mind. Office attendance was staggered with only 20-25% daily attendance and with strict safety and hygiene precautions in place. This has helped us in safeguarding our team members and providing them with reassurance.

With regards to our Absolute Safety Rules and standards, we continue to walk the talk on our promise. Apart from our continued rigor on Health, Safety and Wellbeing priorities backed by a robust governance mechanism, we have also adopted a "Risk Based Approach" this year to ensure safety of our colleagues while they are at work. This risk based approach has helped us in providing sustainable risk mitigation measures for some of the critical high risk activities. In addition to this, HSW deep dive audits for all the premises and refresher training for all the @risk population has helped us in reducing the overall injury count by 50% in this financial year.

### Inclusion

At Vodafone Idea, we realize that Diversity and Inclusion at the workplace helps foster an open and healthy work environment

and is critical to our business strategy. We believe Women at various management levels bring plurality, diverse thinking, varied leadership styles and values. To build a diverse internal team we need to focus on creating a supportive ecosystem to hire, engage and retain women talent.

The continuance of the pandemic and working from home remained a challenge for our women colleagues as they had to juggle between work and personal responsibilities. Our constant connect with our women colleagues through small group discussions and pulse surveys, sensitization workshops with managers and leaders have allowed us to build a larger appreciation of the challenges and offer comfort to our women colleagues to shoulder various demands and be effective at work.

Enhancing women proportion in the organization continues to be our focus area. We focus on closely tracking the proportion of women in our external hiring initiatives. 25% of the external hiring was filled with women talent joining us in this financial year. In order to create a Company culture with leadership commitment towards gender inclusion, we have also introduced capability enhancement for women, gender sensitization workshops and employee assistance programs. As a part of our care initiative, we have specifically focused on maternity and return from maternity as important events in the life cycle of a woman employee. We have put in place an Employee Assistance Program (EAP) to provide timely support to our women colleagues during maternity and ensuring a smooth transition back to work for our returning mothers. A robust journey has been instituted which includes counseling of managers on the best ways to support a new mother and re-integrating them back to work. All these efforts have helped us improve our gender balance by 2% even in a difficult pandemic year.

Inclusion and inclusive culture goes beyond our agenda on women participation in our workforce. We consciously try to build an ecosystem and policy infrastructure that recognizes, enables and assures fair treatment to people with alternate sexual preferences.

### Organisation Transformation

We are constantly evaluating our operating models to make them relevant, future fit, and lean. This year, we have strengthened our Operations by adding leadership bandwidth in some of our key geographies. We have also successfully augmented our distribution footprint by adding more zones and frontline staff across various markets to increase our market coverage and intensity of on ground delivery.

In line with our ambitions of being a Techco, we have also further strengthened our digital organization by making some

key design changes and infusing subject matter experts into the Digital Organization. The changes have helped us make our ways of working more contemporary and competitive, provide more enriching roles and career progression opportunities to our employees and curate propositions and experiences for our customers that are best in class.

### Talent Management, Learning & Development

At Vodafone Idea we want to create Talent as a competitive differentiator. Building a Talent landscape that is fit-for-purpose & sets the stage for the future are important imperatives to deliver the competitive advantage. Towards this objective, key steps have been taken in strengthening our succession pipeline for critical roles. Another important aspect of our talent philosophy is to provide well-orchestrated and meaningful career opportunities for our employees. We have been able to establish our Internal Job Posting (IJP) platform as the first port of call for employees exploring career advancement opportunities. 39% of the total vacancies were closed through the IJP process and through the various internal talent moves, 55% our internal moves have resulted in our employees taking up bigger roles and responsibilities.

A key pillar of our talent strategy has also been to bring in fresh talent and provide them with enriching experiences to build them as successful professionals who will provide a strong pipeline for high impact roles in the future. In this financial year, we have on-boarded 300+ fresh talent from various institutes across the country for opportunities across Marketing, Enterprise, Technology, Distribution and Retail Operations.

Our learning delivery models have been transformed to provide capability building opportunities to our employees through a blended approach. A significant part of our capability initiatives were delivered over digital platforms so that all employees can access the programs from anywhere and learn at their own pace and time. Through partnerships, we have made a vast library of high quality programs available to our employees covering a wide variety of topics. Additionally, we have curated learning journeys for our teams to up weight business critical skills in the areas of Customer Experience, Design Thinking, Digital Marketing and Data Sciences. Our Digital mode of training has delivered 113,776 of total training hours covering 99% of our employee base.

We also leveraged our Virtual Instructor Led Training (VILT) programs to focus on building the capability of our frontline teams. Vi Level Next and Vi Stride are two flagship programs that are focused on enabling our frontline teams to deliver stronger results in the market.

## Risk Management

The Risk Management framework of your Company ensures regular review by management to proactively identify the emerging risks, to do risk evaluation and risk prioritization along with development of risk mitigation plans and action taken to minimize the impact of the risk. The framework requires that the Risk Management Committee be periodically informed about risk minimization procedures adopted by your Company. These processes are also periodically reviewed by management. The various risks, including the risks related to the economy, regulation, competition, technology etc., are documented, monitored and managed efficiently.

## Regulatory

Major regulatory developments for the period are:

### 1. Telecom Reforms Package

During September 2021, a wide-sweeping telecom Reforms package was announced by the Government covering structural reforms, procedural reforms and liquidity relief measures. Key steps announced by the Government are as below:

#### Structural Reforms-

- Non-telecom revenue excluded from definition of Adjusted Gross Revenue (AGR) on prospective basis.
- Bank Guarantees (BGs) requirement reduced by 80%. No requirements for multiple BGs - only one BG to be given.
- Interest rates on Delayed payments of License Fee (LF)/Spectrum Usage Charge (SUC) reduced from SBI's MCLR + 4% to MCLR + 2%; interest to be compounded annually instead of monthly; penalty and interest on penalty removed.
- No BGs required to secure instalment payments in future Spectrum auctions.
- Tenure of spectrum increased from 20 to 30 years in future Spectrum auctions.
- Spectrum acquired in future auctions permitted to be surrendered after 10 years.
- No Spectrum Usage Charge (SUC) on spectrum acquired in future auctions.
- No additional SUC of 0.5% for Spectrum sharing.

- 100% Foreign Direct Investment (FDI) permitted under automatic route.

#### Procedural Reforms-

- Spectrum auctions to be normally held in the last quarter of every financial year.
- Cumbersome requirement of licenses under 1953 Customs Notification for wireless equipment removed & replaced with self-declaration.
- Self-KYC (App based) permitted. E-KYC rate revised to One Rupee. Shifting from Pre-paid to Post-paid and vice-versa will not require fresh KYC.
- Paper Customer Acquisition Forms (CAF) be replaced by digital storage of data.
- DoT will accept data on a portal based on self-declaration basis for SACFA clearance for telecom towers. Portals of other Agencies (such as Civil Aviation) will be linked with DoT Portal.

#### Liquidity Relief Measures-

- Four years Moratorium in annual payments of dues arising out of the AGR judgement & spectrum purchased in past auctions before 2021, protecting the Net Present Value (NPV) of the due amounts.
- Option to pay the interest amount arising due to the said deferment of payment by way of equity.
- At option of the Government, convert the deferred payment due amounts to equity at the end of the Moratorium/Deferment period.

The Company has opted for four years moratorium on both AGR and spectrum dues and has also opted to pay the interest amount arising out of this deferment by way of equity.

### 2. Spectrum Auction Payments

The 2021 spectrum auction concluded on March 2, 2021 where VIL won 5 MHz in Tamil Nadu and 0.8 MHz spectrum in West Bengal service areas in 900 MHz spectrum band and 4 MHz in Karnataka, 1.4 MHz in Uttar Pradesh (East) and 0.6 MHz in Uttar Pradesh (West) service areas in 1800 MHz band.

Accordingly Company has made the upfront payments for the various spectrum assignments as per the NIA in March 2021 and August / September 2021 respectively.

### 3. Minimum Roll-out Obligations (MRO)

Basis a clarifications issued by DoT that roll-outs done under 900 MHz / 1800 MHz or 2100 MHz, will be valid/ counted towards rollout obligations of 2300 MHz or 2500 MHz.

The Company has got its roll-out completely validated and approved for 2300 MHz and 2500 MHz spectrum (won in 2016 auction) on the basis of roll-out done in 900 MHz/ 1800 MHz or 2100 MHz bands, and fulfilled its rollout obligation in 20 Licensed Service Areas.

### 4. 5G Trials

The Company was issued 5G Trial Licenses by the DoT on May 27, 2021 for six months that were subsequently extended for a period of another 6 months upto May 26 2022. In this period, the Company has successfully demonstrated 5G use cases meant for both enterprises and consumers at its approved locations of Gandhinagar and Pune in Gujarat and Maharashtra LSAs in the allocated spectrum bands of 3.5 GHz and 26 GHz.

These use cases pertained to various dimensions such as Connected Classroom, Cloud Gaming, AI VR 360 Camera, VR 360 Content Playback, Connected Ambulance, Smart Body Sensors, Smart Workplace, Smart Education, Smart Agriculture, etc., and were conducted in partnership with various OEMs/Solution Providers.

### 5. Unsolicited Commercial Communications (UCC) – TCCCP Regulation of TRAI

During Financial Year 2021-22, system for uploading bulk consents of the consumers was made live by all the telecom operators and it was successfully utilized by Principal Entities for uploading bulk consents of their consumers on the DLT platform. System for acquisition of consent digitally by Principal Entities, through DLT platform of telecom operators is in final implementation stage.

### 6. TRAI Direction on Tariff Offers

TRAI had issued direction dated September 2, 2021 directing all TSPs to ensure that (a) only the tariffs reported to TRAI are offered through their channel partner/ distributors/ retailers/ third party apps etc. and (b) all tariff offers comply with extant TRAI Regulations/ Directions/ Orders, etc where the TSP's name / brand is used for marketing /offering / selling / products

and services, and that the responsibility of ensuring compliance of TRAI's regulatory guidelines /provisions shall remain with the TSP. The Company had submitted its compliance to TRAI on September 28, 2021.

### 7. TRAI Direction on provision of SMS facility to consumer to generate UPC irrespective of value of tariff voucher

TRAI had issued direction dated December 7, 2021 contending that some of the vouchers from TSPs did not providing SMS facility thereby hindering consumers from generating the Unique Porting Code (UPC) for facilitating MNP and thereby directed TSPs to enable for all mobile subscribers requesting for a UPC, the facility to send SMS to short code 1900, irrespective of the value of the tariff offers/vouchers.

This direction was challenged by the Company in Hon'ble TDSAT, which passed an interim order dated December 24, 2021 directing TRAI not to take any coercive steps w.r.t. its direction dated December 7, 2021. This order was stayed by Hon'ble High Court of Delhi, based on a writ application by TRAI, post which, the Company had complied with the said TRAI direction. Hon'ble TDSAT decided the matter and issued final order dated March 10, 2022 dismissing the petition.

### 8. AGR matter

Application was filed by the Company in AGR matter in Hon'ble Supreme Court seeking modification of the Hon'ble Supreme Court Order dated September 1, 2020, to clarify that it does not bar DoT from considering submissions of the Company on manifest errors has been dismissed by the Hon'ble Supreme Court on July 23, 2021.

Subsequently, on August 10, 2021, the Company filed a review petition with the Hon'ble Supreme Court for considering to hear the modification application again and the same is pending for final disposal.

### 9. Data Protection

Based on Justice B.N. Srikrishna Committee report on personal data protection framework for India along with a Draft Personal Data Protection Bill (2018), the Government of India introduced a Personal Data Protection Bill 2019 (PDPB) in the lower house of Parliament (Lok Sabha) in December 2019. The

PDPB (2019) was referred to a Joint Parliamentary Committee formed by the Lok Sabha for further deliberation. The Joint Parliamentary Committee Report was tabled in Parliament on December 16, 2021.

## 10. Intermediary Rules and Guidelines

The Government of India notified the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 on February 25, 2021. These Rules are in two parts. Part I to be administered by MEITY broadly require that the intermediaries follow certain due diligence as prescribed and are required to publish privacy policy, Rules and Regulations and terms and conditions. They are also expected to remove any unlawful content as and when brought to their knowledge either through a court order or through a notice by appropriate government or its agency or suo moto. Also, where an intermediary collects information from a user for registration on the computer resource, it shall retain this information for a period of one hundred and eighty days after any cancellation or withdrawal of his registration. Part II pertains to the Digital Code of Ethics is applicable to publishers of news & current affairs content & online curated content and required. This will be administered by the Ministry of Information and Broadcasting and requires the publishers to adhere to the Digital code of Ethics laid down under the rules, follow a monthly disclosure requirement and also put in place a 3 tier Grievance redressal mechanism.

### 11. M2M Registration Guidelines

DoT has recently issued guidelines for registration of M2M Service Providers and WPAN/WLAN Connectivity Providers and registration has been opened on the Saral Sanchar portal for all interested entities w.e.f. March 7, 2022. In the guidelines, it has been envisaged that entities which are offering/providing the M2M services based on SIM/ LAN shall register as M2MSP and entities which use WPAN/WLAN technologies for providing M2M connectivity, operating in unlicensed spectrum, shall register as WPAN/WLAN Connectivity Providers.

### 12. National Security Directive

Considering the security concerns and for protection of India's essential national security interests, the National Security Directive on Telecom Sector came into effect

from June 15, 2021, under which licensees can only connect trusted products from trusted sources in their networks and seek permission of the designated authority for utilizing equipment not designated as trusted. The designated authority for this purpose is the National Cyber Security Coordinator.

License conditions have been amended for the implementation of this directive. A portal viz. Trusted Telecom Portal has also been put in place for upload of applications by TSPs and equipment vendors for carrying out the evaluation for the purposes of declaring trusted sources and trusted products.

This exercise is carried out through the operations arm of the National Security Council Secretariat called the Trusted Telecom Cell, which interacts with TSPs and Equipment Vendors on a day to day basis.

Under the said process, various sources and products have been declared as trusted by the designated authority. In other cases where the evaluation process is still underway, the authority has also granted one time exemptions after examination on a case to case basis so as to facilitate continuity in network expansion and address any constraints being faced by TSPs in the transition phase.

## Opportunities, Risks, Concerns and Threats

Indian telecom operators are well poised to benefit from the compelling macro-economic backdrop, growth in smartphone usage and growing digital adoption. All the existing telecom service providers, operators have made significant investments towards expanding broadband network across the country. Due to lack of adequate infrastructure, the growth of wired internet has been restricted to major cities as a result of which wireless remains the preferred means of connecting to the internet. The increasing 4G coverage and low priced 4G services have led to significant increase in 4G users. However, there is significant headroom for 4G penetration (as a percentage of population) to improve further from 56% as of September 2021 (Source: GSMA Intelligence), as rest of India upgrades towards 4G. The growth in social media usage, rapidly increasing content consumption and growth in online commerce will continue to drive demand for broadband services.

The key strategic initiatives of your Company along with its competitive spectrum footprint across circles, significant

network investments and customer affinity to its unified brand 'VI', positions it well to benefit from these trends.

Your Company has several ongoing litigations and any adverse determination of these remains a risk. Your Company works with various local, state and central government agencies for specific permissions to operate its mobile licenses and is required to meet various regulatory/policy guidelines of the DoT and may be subjected to various regulatory demands, penalties/fines or increased cost of compliance. Your Company makes best effort to adhere to all such requirements. Meanwhile, your Company believes in sound corporate governance practices and believes that these litigations would be settled in due course in the best interest of all stakeholders.

The telecom sector is characterized by technological changes and competition from new technologies is an inherent threat. Your Company has a strong spectrum portfolio and robust network footprint and continues to invest in the new emerging network solutions to adapt to any future technological changes. Your Company has been deploying an array of 5G concepts and technologies such as Massive MIMO, DSR, Open RAN, Cloudification of core and edge cloud/deployment.

Your Company's business is dependent on key Network and IT equipment suppliers for management and continuity of its Network, IT and business processes. These networks may also be vulnerable to technical failures or any natural calamity. Your Company has robust network & IT security processes and disaster recovery plans. Your Company is in partnership with global leaders in Network equipment and IT services and enjoys very long standing healthy relations with all its suppliers.

There exists material uncertainty relating to your Company's ability to continue as a going concern which is dependent on its ability to raise additional funds as required, successful

negotiations with lenders on continued support and generation of cash flow from operations that it needs to settle/renew its liabilities/guarantees as they fall due. As of date, your Company has met all its debt obligations.

### Outlook

Your Company will continue its journey of becoming a truly integrated digital service provider through its several strategic initiatives as well as continue to make investments for expanding 4G coverage and capacity especially in its 17 priority circles and upgrade its networks towards 5G ready network. Your Company will continue to focus on improving ARPU by driving UL/4G penetration as well as digitalization of customer servicing and distribution channels with an aim to provide the best of customer experience to retail and enterprise customers. In Business Services, your Company will increasingly focus on new and fast growing segments such as Cloud services and IoT. To further drive the digital agenda, your Company will look for deeper integration opportunities with its partners using its platform capabilities to provide a differentiated telco++ experience and value for partners as well as customers. Your Company will look to scale up its digital and content offerings with the intent of monetization.

Your Company will remain focused on providing superior data and voice experience and building a differentiated digital experience with focus on increasing 4G subscribers. Your Company successfully completed first tranche of fund raising in the form of preferential equity contribution of ₹ 45 billion from the promoters. Your Company will also continue to actively engage with lenders and investors for further fund raising. All these initiatives coupled with the significant liquidity provided by the Government reforms package and the recent tariff hikes will enable your Company to make network investments and compete effectively to improve its competitive position.

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### Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may constitute a "forward-looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets in which the Company operates, changes in the Government Regulations, tax laws and other statutes and other incidental factors.



# CORPORATE GOVERNANCE REPORT

## Company's Philosophy on Corporate Governance

Corporate Governance refers to mechanisms, processes and relations by which corporations are controlled and directed. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability across all business practices. Corporate Governance essentially involves balancing the interests of Company's Stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community.

Corporate Governance has always been intrinsic to the management of the business and affairs of our Company. Given the market and regulatory movements, the Company has continued to inculcate, imbibe and perpetuate governance tenets. Corporate Governance in VIL is a reflection of principles entrenched in our values and policies, leading to value driven growth. At VIL ensuring fairness, transparency and accountability across all business processes is of utmost importance. We believe that good governance practices stem from the culture and mindset of the organization. While making business decisions our objective is to meet stakeholders' interest and societal expectations. We at VIL are committed in fostering and sustaining a culture that integrates all components of good governance and demonstrates highest standard of ethical and responsible business conduct. Your Company confirms compliance to the Corporate Governance requirements as enshrined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time [hereinafter referred to as 'Listing Regulations'], the details of which for the Financial Year ended March 31, 2022 is as set out hereunder:

### 1. BOARD OF DIRECTORS

An active, informed and independent Board is a pre-requisite for strong and effective Corporate Governance. The Board plays

a crucial role in overseeing how the management safeguards the interests of all the stakeholders. The Board ensures that the Company has clear goals aligned to the shareholders' value and growth. The Board critically evaluates strategic direction of the Company and exercises appropriate control to ensure that the business of the Company is conducted in the best interests of the shareholders and society at large. The Board is duly supported by the Management in ensuring effective functioning of the Company.

### Composition of the Board

The Company has a balanced and diverse Board, which includes independent professionals and confirms to the provisions of the Companies Act, 2013 and the Listing Regulations. Your Company's Board represents a confluence of experience and expertise from diverse areas of technology, banking, telecommunication, general management and entrepreneurship. It reflects a judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

As on March 31, 2022, the Board comprised of twelve members consisting of one Non-Executive Chairman, a Managing Director and Chief Executive Officer, six Independent Directors (including one Independent Woman Director) and four Non-Executive Directors.

Mr. Kumar Mangalam Birla, Non-Executive Chairman and Mr. D Bhattacharya, Non-Executive Director have resigned w.e.f. August 4, 2021 and March 2, 2022 respectively. In their place, the Board appointed Mr. Sushil Agarwal and Mr. Krishna Kishore Maheshwari as Additional Directors in the category of Non-Executive Directors on August 4, 2021 and March 3, 2022 respectively. Mr. Himanshu Kapania has been appointed as the Non-Executive Chairman of the Board w.e.f. August 4, 2021. There have been no other changes in the Board of Directors during the year under review.

The Composition of the Board of Directors and the number of Directorships and Committee positions held by them as on March 31, 2022 are as under:

Name of Director	Category	No. of Outside Directorship(s) Held <sup>1</sup>		Outside Committee Positions Held <sup>2</sup>		Details of other listed companies in which Director is part of the Board and Category of Directorship
		Public	Member	Chairman/ Chairperson		
Mr. Kumar Mangalam Birla <sup>3</sup>	Non-Executive Chairman	9	-	-	-	<ol style="list-style-type: none"> <li>Grasim Industries Ltd. (Non -Executive Director)</li> <li>Hindalco Industries Ltd. (Non- Executive Director)</li> <li>UltraTech Cement Ltd. (Non- Executive Director)</li> <li>Century Textiles and Industries Ltd. (Non- Executive Director)</li> <li>Aditya Birla Capital Ltd. (Non- Executive Director)</li> <li>Aditya Birla Fashion &amp; Retail Ltd. (Non- Executive Director)</li> </ol>

Name of Director	Category	No. of Outside Directorship(s) Held <sup>1</sup>	Outside Committee Positions Held <sup>2</sup>		Details of other listed companies in which Director is part of the Board and Category of Directorship
		Public	Member	Chairman/ Chairperson	
Mr. Ravinder Takkar	Managing Director & Chief Executive Officer	1	-	-	Indus Towers Limited (Non-Executive Director)
Mr. Himanshu Kapania	Non-Executive Chairman	1	-	1	Aditya Birla Fashion and Retail Limited (Non-Executive Vice Chairman)
Mr. D. Bhattacharya <sup>4</sup>	Non-Executive	2	1	-	1. Hindalco Industries Ltd. (Non-Executive Director) 2. Nocil Limited (Independent Director)
Mr. Sushil Agarwal <sup>5</sup>	Non-Executive	3	2	-	Aditya Birla Capital Limited (Non-Executive Director)
Mr. K. K. Maheshwari <sup>6</sup>	Non-Executive	2	1	-	Ultratech Cement Limited (Non-Executive Vice Chairman)
Mr. Diego Massidda	Non-Executive	-	-	-	-
Mr. Sunil Sood	Non-Executive	-	-	-	-
Mr. Arun Adhikari	Independent	5	4	-	1. Aditya Birla Capital Ltd. (Independent Director) 2. UltraTech Cement Ltd. (Independent Director) 3. Voltas Ltd. (Independent Director) 4. Aditya Birla Fashion & Retail Limited (Independent Director)
Mr. Arun Thiagarajan	Independent	2	2	-	1. GE Power India Ltd. (Independent Director) 2. TTK Prestige Ltd. (Independent Director)
Mr. Ashwani Windlass	Independent	4	-	2	1. Hindustan Media Ventures Ltd. (Independent Director) 2. Jubilant Foodworks Ltd. (Independent Director) 3. Bata India Limited (Independent Director)
Mr. Krishnan Ramachandran	Independent	4	-	-	-
Ms. Neena Gupta	Independent	1	-	-	-
Mr. Suresh Vaswani	Independent	-	-	-	-

<sup>1.</sup> Directorships held by the Directors as mentioned above, excludes directorships held in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.

<sup>2.</sup> In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of two Committees viz. Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.

<sup>3.</sup> Resigned from the Board of the Company w.e.f. August 4, 2021

<sup>4.</sup> Resigned from the Board of the Company w.e.f. March 2, 2022

<sup>5.</sup> Appointed as Non-Executive Director(s) w.e.f. August 4, 2021

<sup>6.</sup> Appointed as Non-Executive Director(s) w.e.f. March 3, 2022

The Board periodically evaluates the need for change in its size and composition to ensure that it remains aligned with statutory and business requirements. Also, in the event of any cessations, the Company ensures that the composition is fulfilled within stipulated time.

None of the Director(s) on the Board holds directorship in more than ten public limited companies. Further, none of the Independent Directors serves as an Independent Director in more than seven listed companies. Further, none of the Director is a member of more than ten Committees or Chairman of more than five Committees, across all the Companies in which he/she is a Director.

None of the Directors are related to each other. The Company has issued the formal letter of appointment to all the Independent Directors as prescribed under the provisions of the Companies Act, 2013 and the terms and conditions of

their appointment has been uploaded on the website of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as specified under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013 and they are qualified to act as Independent Directors and that they are independent of the management. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

#### **Key Skill Matrix of the Board**

The Vodafone Idea Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

The Board has identified the following skills/expertise/competencies to function and discharge their responsibilities effectively and as available to the Board:

*Industry knowledge, Sales & Marketing, Innovation, Technology & Networks, Financial literacy & Risk Management, Corporate Governance, Legal & Compliance, Strategic expertise, Sustainability, Human Resource Development*

<b>Industry knowledge and Innovation</b>	Experience in driving business success in markets, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on local as well as global market opportunities.
<b>Financial Literacy, Risk Management and Legal Compliance</b>	In depth understanding of financial statements, financial management and reporting processes, internal control, expertise in dealing with complex financial transactions, monitoring the effectiveness of risk management framework and profound legal knowledge and expertise in corporate law matters and other regulatory aspects.
<b>Sales and Marketing</b>	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
<b>Strategic expertise</b>	Review and guide corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
<b>Technology &amp; Network</b>	Significant knowledge of technology and network operation, anticipation of emerging technology trends and provide guidance for technical collaboration.
<b>Corporate Governance</b>	Providing insights in best governance practices, protecting and enhancing stakeholders value, maintaining board and management accountability.
<b>Sustainability</b>	Experience in leading the sustainability and Environment, social and governance visions of organizations, to be able to integrate these into the strategy of the Company.
<b>Human Resource Development</b>	Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
<b>General Management</b>	Overall outlook on efficiency, profitability and management.

	Industry knowledge & Innovation	Financial Expertise	Risk Management	Legal Compliance	Sales and Marketing	Strategy	Technology & Networks	Corporate Governance	Sustainability	Human Resource Development	General Management
Mr. Ravinder Takkar	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
Mr. Himanshu Kapania	✓	✓	✓		✓	✓	✓	✓		✓	✓
Mr. Arun Adhikari			✓	✓	✓	✓		✓	✓	✓	✓
Mr. Ashwani Windlass	✓	✓		✓		✓	✓	✓			✓
Ms. Neena Gupta			✓	✓	✓	✓		✓	✓	✓	✓
Mr. Krishnan Ramachandran		✓		✓	✓	✓		✓	✓	✓	✓
Mr. Suresh Vaswani	✓	✓	✓		✓	✓	✓	✓		✓	✓
Mr. Arun Thiagarajan		✓	✓	✓	✓	✓	✓	✓			✓
Mr. Sunil Sood	✓	✓		✓	✓	✓	✓		✓	✓	✓
Mr. Diego Massidda	✓	✓	✓		✓	✓	✓	✓			✓
Mr. Sushil Agarwal	✓	✓	✓			✓		✓	✓	✓	✓
Mr. K. K. Maheshwari	✓	✓	✓	✓		✓		✓	✓		✓

A brief profile of the Directors are as under:

**Mr. Himanshu Kapania** an alumnus of IIM, Bangalore (1988-1990) and Birla Institute of Technology, Mesra (1979-83), was former Managing Director (2011 to 2018) of erstwhile Idea Cellular Limited, renamed Vodafone Idea Limited (VIL) after merger with Vodafone India, is presently the Non-Executive Chairman of the Board of VIL. Mr. Kapania is also 'Vice-Chairman' of Aditya Birla Fashion & Retail Limited. He also serves as 'Non-Executive Board Member of Celcom Axiata', a listed Telecom Company in Malaysia. He has over 36 years of work experience in Management, Leadership, Technology, Operations, Sales & Marketing, Regulation & Policy Advocacy, etc., with deep understanding of Indian consumers, media and society across Automobile, Consumer Durables, Office Automation, Telecom & Digital Services industries. His tryst with the Indian telecom sector dates back to over two decades. He has been a key contributor to the accelerated growth of the sector while assisting political leadership, regulator and key policy creators in formulating India's Telecom & Digital Services regulations, policies and processes. He is the current Chairman of FICCI Council on 'Telecom, Electronics and Digital Economy' (TED Council).

**Mr. Ravinder Takkar** holds a Bachelors degree in Science from Loyola Marymount University, USA in 1991. He has an overall work experience of over 30 years of which 28 years is with Vodafone. Prior to his current role, Mr. Takkar was the CEO of Vodafone Romania for three years and CEO of Vodafone Partner Markets in London. He has been with Vodafone Group since 1994 and brings a wealth of experience in telecom industry having worked in several leadership positions across Vodafone's operating companies. Mr. Takkar has been involved in the Indian telecom industry since 2007 when Vodafone Group entered the Indian market. He has held a number of senior roles in Strategy and Business Development and he was CEO of the Enterprise business.

**Mr. Krishna Kishore Maheshwari** is a Chartered Accountant. He is currently Vice-Chairman and Non-Executive Director of UltraTech Cement Ltd. He is a proven leader with expertise in strategy and finance, a passion for building outstanding teams and a disciplined focus on innovation and excellence in operations. In a distinguished career spanning four decades, of which 36 years have been with the Group, Mr. Maheshwari has held several key leadership roles, including that of steering the Group's Chemicals, International Trading,

Pulp and Fibre, Textiles and Cement business. Mr. Maheshwari is credited with steering the growth of each of the businesses towards a more competitive and sustainable model and has overseen various greenfield and brownfield expansions as well as strategic acquisitions globally.

**Mr. Arun Adhikari** is an alumni of the Indian Institute of Technology, Kanpur and the Indian Institute of Management, Calcutta. He joined Hindustan Lever Limited in 1977 and worked with the Unilever Group in India, UK, Japan and Singapore. His areas of responsibility included sales and marketing, culminating in general management and leadership roles. Mr. Adhikari retired from Unilever in January 2014, post which he was a senior advisor with McKinsey and Company for four years. He is now an Independent Director on the boards of UltraTech Cement Limited, Aditya Birla Capital Limited and Voltas Limited.

**Mr. Ashwani Windlass** is a gold medalist in B. Com from Punjab University, Chandigarh; where he also obtained a Graduation in Journalism (B.J.). He holds an MBA from Faculty of Management Studies, University of Delhi. He is a leading strategy, telecom and technology professional, currently engaged in advisory/mentoring roles at the Board/CEO level, after over four decades of wide management experience. Mr. Windlass has been the Founder Jt. Managing Director of Max India Limited, Founder Managing Director of Hutchison Max Telecom (since rechristened as Vodafone Idea Limited) and Vice Chairman & Managing Director of Reliance Telecom Limited. Apart from being Chairman SA & JVs, MGRM Inc., USA and Chairman of Bata India Limited, he also serves on the Boards of Hitachi MGRM Net Limited, Hindustan Media Ventures Limited & Jubilant Foodworks Limited, among others.

**Ms. Neena Gupta** is a law graduate from Delhi University and has a management degree in Marketing and HR from Fore School of Management, Delhi. She also holds B.A. degree in History from Delhi University. She has worked as an Executive Director (Strategy and M&A) and is currently Group General Counsel with InterGlobe Enterprises United. Prior to InterGlobe, she was a partner with law firm J. Sagar & Associates. She has vast experience in the field of strategic sale and divestments, capital market transactions, mergers and acquisitions and legal and international taxation.

**Mr. Krishnan Ramachandran** holds a Bachelor of Engineering (Honors) degree in Electrical Engineering from Birla Institute of Technology & Science, Pilani (BITS Pilani) and a Post Graduate Diploma in Management from the Indian Institute of Management, Calcutta. He was earlier associated with Philips India Limited as its Vice Chairman & Managing Director and was also associated with Tata Administrative Service and Voltas Limited as General Manager (Operations).

He was also engaged as an Advisor to the Chancellor of BITS Pilani from 2009 to 2017. He has advised and worked with the leadership teams of several companies and has over 47 years of experience in general management.

**Mr. Suresh Vaswani** holds a Bachelor of Technology (Honours) degree in Metallurgical Engineering from Indian Institute of Technology, Kharagpur and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. He is Senior Director and Operating Partner at Everstone Capital, Board member of US based IT Services companies Servion Global Solutions and Omega Health Care, board member of Tech/SAAS companies Innoveo AG Switzerland and Acqueon US where he is also the Chairman. He has several years of experience in IT/IT leveraged/Tech business and has served as President of Dell Services globally, Chairman of Dell India, Co-CEO of Wipro IT Business and as General Manager at IBM Global Technology Services.

**Mr. Arun Thiagarajan** holds a Bachelor of Arts degree from Uppsala University, Sweden and a master's degree of engineering in Electro technology from Royal University of Technology, Stockholm. He has also attended the advanced management program of the Graduate School of Business Administration, Harvard University. He has previously served as the Managing Director of Asea Brown Boveri Limited, as the Vice Chairman of Wipro Limited and as President of Hewlett-Packard India Private Limited. He also serves as an Independent Director on the Board of various companies. He has extensive experience in the field of Sales and Marketing, Strategy Planning, Electrical Engineering and Industrial Manufacturing.

**Mr. Sunil Sood**, is an alumnus of Harvard Business School, and a distinguished alumni awardee of Indian Institute of Management, Calcutta and Indian Institute of Technology, Delhi. He started his telecom journey with Vodafone in 2000 and over the years has held several senior positions including Managing Director & Chief Executive Officer for Vodafone India Ltd. (April 2015 – August 2018). He was the Group Commercial Director, AMAP and Group M-Pesa & Financial Services Director of Vodafone Plc from September 2018 to September 2020. He began his career in the FMCG industry with Lakme in various roles across India and also did roles in other emerging markets in Africa and South East Asia, including the role of CEO of PepsiCo in Bangladesh. His career and experience gained in FMCG, Telecommunications & Fin-Tech extends over 36 years. He is currently a Board member of Vodacom South Africa. He was the former Chairman of Cellular Operators Association of India (COAI), the industry body for GSM telecom operators in India as well as the former Chairman of the British Business Group (BBG) Mumbai, a confederation of organizations with interests in India &

UK and a member of several prestigious industry bodies/associations/public policy forums.

**Mr. Diego Massidda**, an Italian by nationality, holds a degree in Hydraulic Civil Engineering from the Università di Cagliari, Italy, and a Master in Business Administration from INSEAD, France. He has over 19 years of telecommunications experience at CEO level, managing wireline, TV and wireless businesses prior to moving to the current position of CEO of Vodafone Partner Markets, a business which provides services to other telcos in 45 different countries. He joined Vodafone in 2007 as Group Director of Broadband and Online, and from 2009 to 2011, he was Group Director of Video and Connected Home. From 2011 to 2016, he served as CEO of Vodafone Hungary. He is a Director of Vodafone Sales & Services Ltd and of TPG Telecom Ltd, an Australian telecommunications operator listed on the ASX, where Vodafone has 25% ownership. Prior to joining Vodafone, Diego was CEO of the ISPs Tiscali South Africa, Liberty Surf Group (listed on the Paris stock exchange), and Telecom Italia in France, trading under the Alice brand. He has also worked for 6 years with McKinsey & Company earlier in his career.

**Mr. Sushil Agarwal** is a Chartered Accountant and holds a Master's degree in Commerce. He is the Group Chief Financial Officer of Aditya Birla Group and Director of Aditya Birla Management Corporation Private Limited. He is also a member of the Business Review Council, which is an institutionalized mechanism for bringing in wider managerial perspectives and leadership experiences into reviewing the development, growth and operations of the Group's businesses. He has been with the Aditya Birla Group since the beginning of his career in 1989 and has a unique distinction of working closely with the former Chairman Late Mr. Aditya Vikram Birla and current Chairman Mr. Kumar Mangalam Birla. He has worked closely with several businesses of the Aditya Birla Group and has richly contributed in many Restructurings, Mergers and Acquisitions and Fund Raising initiatives of the Aditya Birla Group with his widely acknowledged financial acumen and analytical skills. He is familiar with operations in most states in India and several countries abroad and is best known for his strong connections and relationship with the global investors and industry stalwarts.

### Board Meetings and Procedure

The tentative annual calendar of meetings is determined at the beginning of each year. The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses. In case of urgent business exigencies some resolutions are also passed by circulation, as permitted by law, which is noted in the subsequent Board Meeting. Time gap between two consecutive meetings does not exceed 120 days.

In the wake of COVID-19 pandemic and to adhere to the lockdown and social distancing norms, the directors participated in all the meetings of the Board and Committees held during the Financial Year 2021-22, through video conferencing/ other audio visual means. The meetings and agenda items taken up during the meetings complied with the Companies Act, 2013 and Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India ("SEBI") due to COVID-19 pandemic.

The Company Secretary in consultation with the Chairman and the Managing Director & Chief Executive Officer prepares the detailed agenda for the meetings. All the agenda items are backed by comprehensive agenda notes and relevant supporting papers containing all the vital information, so as to enable the Directors to have focused discussion at the meeting and take informed decisions.

The notice of Board/Committee Meetings is given well in advance to all the Directors. The agenda and agenda notes are circulated to all the Directors well in advance, usually a week before the Meeting. In case of sensitive agenda matters, where it is not practical to circulate the relevant information as part of the agenda papers, the same is tabled at the meeting. In special and exceptional circumstances, additional or supplementary agenda items are taken-up for discussion with the permission of the Chairman. To discuss significant and important matters, meetings are also convened at a short notice with the consent of all Directors. Further regular updates on such matters are also provided to the board members. The members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to exercising their right to bring up matters for discussion at the meeting with permission of the Chairman. The senior management personnel are invited to the Board/Committee Meetings to apprise and update the members on the items being discussed at the meeting. All the relevant information as enumerated in Part A of Schedule II of the Listing Regulations is placed before the Board and the Board in particular reviews and approves corporate strategies, business plan, annual budget, capital expenditure etc. The Board periodically reviews the compliance status of all the applicable laws and is regularly updated on various legal and regulatory developments involving the Company. The Board Agenda includes an Action Taken Report comprising of actions emanating from the Board Meetings and status updates thereof. The Members of the Board have complete freedom to express their opinion and have unfettered and complete access to information in the Company. All the decisions are taken after detailed deliberations by the Board Members at the meetings.

The draft minutes of each Board/Committee meetings are circulated to all Directors for their comments within 15 days of the meeting. The Company Secretary, after incorporating comments, received if any, from the Directors, records the minutes of each Board/Committee meeting within 30 days from conclusion of the meeting. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments promptly.

During the Financial Year 2021-22, the Board met thirteen times i.e. on June 1, 2021, June 30, 2021, August 4, 2021, August 14, 2021, September 22, 2021, September 29, 2021, October 18, 2021, October 27, 2021, November 12, 2021, January 10, 2022, January 21, 2022, February 21, 2022 and March 3, 2022. The intervening gap between any two Board Meetings did not exceed 120 days.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting (i.e. Annual General Meeting for Financial Year 2020-21 was held on September 29, 2021) are as under:

Name of Director	No. of Board Meetings held during the tenure		Attended Last AGM (Yes/No)
	Held	Attended	
Mr. Kumar Mangalam Birla <sup>1</sup>	3	1	NA
Mr. Ravinder Takkar	13	13	Yes
Mr. Arun Thiagarajan	13	13	Yes
Mr. Arun Adhikari	13	11	Yes
Mr. D Bhattacharya <sup>2</sup>	12	11	Yes
Mr. Himanshu Kapania	13	13	Yes
Ms. Neena Gupta	13	11	Yes
Mr. Krishnan Ramachandran	13	13	Yes
Mr. Suresh Vaswani	13	13	Yes
Mr. Ashwani Windlass	13	13	Yes
Mr. Sunil Sood	13	13	Yes
Mr. Diego Massidda	13	13	Yes
Mr. Sushil Agarwal <sup>3</sup>	10	9	Yes
Mr. Krishna Kishore Maheshwari <sup>4</sup>	1	1	NA

<sup>(1)</sup> Resigned from the Board of the Company w.e.f. August 4, 2021

<sup>(2)</sup> Resigned from the Board of the Company w.e.f. March 2, 2022

<sup>(3)</sup> Appointed on the Board of the Company w.e.f. August 4, 2021

<sup>(4)</sup> Appointed on the Board of the Company w.e.f. March 3, 2022

### Induction and Familiarization program for Board Members

A formal letter of appointment together with the Induction kit is provided to the Independent Directors, at the time of

their appointment, setting out their role, functions, duties and responsibilities. The criteria, terms and conditions for appointment of Independent Directors of the Company is placed on the website [www.myvi.in](http://www.myvi.in). The Directors are familiarized with your Company's business and operations and interactions are held between the Directors and senior management of your Company. Directors are familiarized with the organizational set-up, functioning of various departments, internal control processes and relevant information pertaining to the Company. Apart from the above, periodic presentations are also made at the Board/Committee meetings to familiarize the Directors with the Company's strategy, business performance, business environment, regulatory framework, operations review, risk management and other related matters.

The details of familiarization programs are posted on the website of the Company viz. [www.myvi.in](http://www.myvi.in).

### Meeting of Independent Directors

Due to the ongoing COVID-19 pandemic and its resurgence, the Independent Directors were not able to conduct a physical meeting without the presence of Non-Independent Directors and the management, however, the management made arrangements for a formal evaluation, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction on the overall performance of the Directors and the Board as a whole. Inputs and suggestions received from the Directors were considered at the subsequent Board Meeting and are being implemented.

### Performance Evaluation of Board

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a formal evaluation mechanism is in place for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board. The evaluation was done based on the criteria which includes, amongst others, providing strategic perspective, attendance and preparedness for the meetings, contribution at meetings, effective decision

making ability and independent judgment etc. The Directors expressed their satisfaction with the evaluation process and the performance of the Board as a whole. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committees.

### **Code of Conduct for Board Members and Senior Management**

The Board of Directors have laid down the Code of Conduct for all the Board Members (incorporating, inter-alia, duties of Independent Directors) and Senior Management Executives of the Company, which is also uploaded on the website of the Company [www.myvi.in](http://www.myvi.in). The Code is derived from three inter-linked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct. Code of Conduct provides guidance and support for ethical conduct of the business.

### **Declaration affirming compliance of Code of Conduct**

The Company has received confirmations from all the Board members as well as Senior Management Executives regarding compliance of the Code of Conduct during the year under review.

A declaration signed by the Managing Director and Chief Executive Officer affirming the compliance with the Code of Conduct by the Board Members and Senior Management Personnel of the Company for the Financial Year ended March 31, 2022 is attached and forms part of this Report.

## **2. COMMITTEES OF THE BOARD**

The Board Committees play a vital role in improving Board effectiveness and have been constituted to deal where more focused and extensive discussions are required/activities as mandated by applicable regulation. Some of the Board functions are performed through specially constituted Board Committees comprising of Non-Executive and Independent Directors. Board Committee's ensures focused discussion and expedient resolution of diverse matters.

As of March 31, 2022, the Board has the following Committee(s) constituted for better and focused attention on various affairs of the Company:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders Relationship Committee
- (d) Corporate Social Responsibility Committee
- (e) Risk Management Committee
- (f) Capital Raising Committee
- (g) Finance Committee

All the Committees have formally established terms of references/Charter. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The Minutes of the Committee Meetings are noted by the Board. The Board Committees can request special invitees to join the meeting, as appropriate.

The role and composition of the aforesaid Committees, including the number of meetings held and the related attendance of the members are given below:

### **A. Audit Committee**

The Company has an Audit Committee at the Board level with power and role that are in accordance with the Listing Regulations and the Companies Act, 2013. The Audit Committee oversees the accounting, auditing and overall financial reporting process of the Company. The Audit Committee acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

### **Terms of reference**

The broad terms of reference adopted by the Audit Committee of your Company includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by statutory auditors.
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;



- e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter.
  7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
  8. Approval or any subsequent modification of transactions of the Company with related parties.
  9. Scrutiny of inter-corporate loans and investments.
  10. Reviewing the utilization of loans and/or advances from/investment by the Holding Company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances /investments.
  11. Valuation of undertakings or assets of the Company, wherever it is necessary.
  12. Evaluation of internal financial controls and risk management systems.
  13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  15. Discussion with internal auditors of any significant findings and follow-up thereon.
  16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  19. To review the functioning of the Whistle Blower mechanism;
  20. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
  21. Review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively.
  22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  23. To review:
    - a. Management Discussion and Analysis of financial condition and results of operations;
    - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
    - c. Management letters / letters of internal control weaknesses issued by the Statutory Auditors, if any;
    - d. Internal audit reports relating to internal control weaknesses; and
    - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- In addition to reviewing financial results on quarterly basis, Audit Committee Meetings are also convened for reviewing Internal Audit reports pertaining to various functions and also for reviewing the implementation of Internal Financial Control framework. The Company has appropriate internal control systems for business processes, covering operations, financial reporting and compliance with applicable laws and regulations. Regular internal audits and management reviews ensure that the responsibilities are executed effectively. The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them, as appropriate.
- The Committee also oversees the performance of the internal and statutory auditors and also recommends their appointment and remuneration to the Board. Information as detailed in Part C of Schedule II of the Listing Regulations, is mandatorily being reviewed by the Audit Committee. The

minutes of the Audit Committee Meetings forms part of the Board Agenda. The Chairman of the Audit Committee Meeting briefs the Board on the discussions held during Audit Committee Meeting.

### Composition, Meetings and Attendance

The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. As on March 31, 2022, the Audit Committee comprises of six members, of which four members, including the Chairman, are Independent Directors and two members are Non-Executive Directors. All the members of the Audit Committee possess requisite accounting and financial management expertise. The Company Secretary acts as the Secretary to the Committee.

The Managing Director & Chief Executive Officer and Chief Financial Officer of the Company are permanent invitees to the Audit Committee Meetings. Representatives of the Statutory Auditors and Internal Auditors of the Company are also invited to the Audit Committee Meetings. Additionally, other Senior Management Personnel are also invited to the Committee Meetings to present reports on the respective functions that are discussed at the meetings from time to time. The Cost Auditors attend the meeting when Cost Audit Report is discussed.

During the Financial Year 2021-22, nine meetings of the Audit Committee were held on June 1, 2021, June 29, 2021, August 13, 2021, November 11, 2021, January 20, 2022, January 21, 2022, February 21, 2022, March 3, 2022 and March 28, 2022. The intervening gap between two Meetings did not exceed 120 days.

Name of Director	Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Ashwani Windlass (Chairman)	Independent	9	9
Mr. Arun Thiagarajan	Independent	9	8
Mr. D. Bhattacharya <sup>1</sup>	Non-Executive	7	7
Mr. Krishna Kishore Maheshwari <sup>2</sup>	Non-Executive	1	1
Mr. Krishnan Ramachandran	Independent	9	8
Mr. Suresh Vaswani	Independent	9	9
Mr. Diego Massidda <sup>3</sup>	Non-Executive	6	6
Mr. Sunil Sood <sup>4</sup>	Non-Executive	3	3

<sup>(1)</sup> Resigned w.e.f. March 2, 2022

<sup>(2)</sup> Appointed w.e.f. March 3, 2022

<sup>(3)</sup> Stepped-down from the Committee w.e.f. January 21, 2022

<sup>(4)</sup> Inducted on the Committee w.e.f. January 21, 2022

All the recommendations made by the Audit Committee were accepted by the Board. During the year under review, the composition of the Committee was changed twice. Mr. Diego Massidda requested to step down due to his pre-occupation and Mr. Sunil Sood was appointed in his place on January 21, 2022. Further, pursuant to the resignation of Mr. D Bhattacharya on March 2, 2022, Mr. Krishna Kishore Maheshwari was appointed in his place on March 3, 2022.

### B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been entrusted with role of formulating criteria for determining the qualifications, positive attributes and independence of the Directors as well as identifying persons who are qualified to become Directors and persons who may be appointed at senior management levels and also devising a policy on remuneration of Directors, Key Managerial Personnel and other senior employees. The Committee also monitors and administers the Company's Employee Stock Option Scheme(s). The Nomination & Remuneration Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the Listing Regulations.

#### Terms of reference

The broad terms of reference adopted by the Nomination and Remuneration Committee includes the following:

- set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and senior management of the quality required to run your Company successfully;
- set the relationship of remuneration to performance;
- check whether the remuneration provided to Directors and senior management includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of your Company and its goals;
- formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend the same to the Board;
- review and implement succession and development plans for Managing Director, Executive Directors and senior management;
- devise a policy on Board diversity;
- formulate the criteria for determining qualifications, positive attributes and independence of Directors; and
- to supervise and monitor the process of issuance/ grant/ vesting/ cancellation of ESOPs and such other instruments as may be decided to be granted to the

employees of the Company/ Subsidiary Company, from time to time, as per the provisions of the applicable laws, more particularly in terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

### Composition, Meetings and Attendance

The composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. As on March 31, 2022, Committee comprises of four Independent Directors including the Chairman and two of them are Non-Executive Directors. The Company Secretary acts as a Secretary to the Committee.

During the Financial Year 2021-22, six meetings of the Nomination and Remuneration Committee were held on May 31, 2021, June 29, 2021, August 4, 2021, August 13, 2021, September 29, 2021 and March 3, 2022.

The composition of the Nomination and Remuneration Committee and the attendance of the members at the meetings held during the Financial Year 2021-22 are as under:

Name of Director	Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Arun Adhikari (Chairman)	Independent	6	5
Mr. Himanshu Kapania	Non-Executive	6	6
Mr. Sunil Sood	Non-Executive	6	6
Mr. Suresh Vaswani	Independent	6	6
Mr. Arun Thiagarajan <sup>1</sup>	Independent	1	1
Ms. Neena Gupta <sup>1</sup>	Independent	1	1

<sup>(1)</sup> Inducted w.e.f. November 12, 2021

All the recommendations made by the Committee were accepted by the Board. The composition of the Committee was changed pursuant to the appointment of Mr. Arun Thiagarajan and Ms. Neena Gupta on November 12, 2021.

### I. Details of the Managerial Remuneration paid to the Executive Directors during Financial Year 2021-22 is as under:

Executive Director	Relationship with other Directors	Business relationship with the Company, if any	Remuneration during 2021-22			
			All elements of remuneration package i.e. salary, allowances and other benefits etc.	Fixed component & performance linked incentives along with performance criteria	Service Contract, notice period, severance fees	Stock Option details, if any
Mr. Ravinder Takkar	None	Managing Director & Chief Executive Officer	See Note 1 below			See Note 2 below

- Mr. Ravinder Takkar is appointed as Managing Director & Chief Executive Officer of the Company w.e.f. August 19, 2019 for a period of three years on NIL remuneration.
- No Stock Options has been granted to Mr. Ravinder Takkar.

### Performance Evaluation Criteria for Independent Directors

The evaluation framework for assessing the performance of Directors of your Company comprises of contributions at the meetings, strategic perspectives or inputs regarding the growth or performance of your Company, among others. The Nomination and Remuneration Committee have laid down the manner in which formal evaluation of the performance of the Board, its Committees and individual Directors has to be made. The Board has carried out the annual performance evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations.

### Nomination & Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy on appointment and remuneration of Directors and Senior Management Employees. The Company's remuneration policy is directed towards rewarding performance based on periodic review of the achievements.

The remuneration policy is available on the website of the Company [www.myvi.in](http://www.myvi.in).

### Remuneration of Directors

#### (i) Remuneration to the Executive Directors

The remuneration package of Executive Directors including the Managing Director & Chief Executive Officer and the senior management team is determined by the Nomination & Remuneration Committee, which is in accordance with the remuneration policy of the Company. A fair portion of the remuneration is linked to the Company's performance, thereby creating a strong alignment of interest with shareholders.

The recommendations of the Committee are considered and approved by the Board, subject to the approval of the members of the Company, wherever necessary.

## II. Details of Stock Options (Options) and Restricted Stock Units (RSU) granted/exercised to/by the Executive Directors:

No Stock Options have been granted to Mr. Ravinder Takkar.

### (ii) Remuneration to Non-Executive/Independent Directors

Only Independent Directors are paid remuneration by way of sitting fees, which is ₹ 1,00,000/- per Board Meeting and ₹ 50,000/- per Committee meeting attended by them, which is well within the limits prescribed under Companies Act, 2013 ('the Act'). The Commission/Remuneration payable to all the Non-Executive Directors (including Independent Directors) is decided by the Board of Directors on the basis of recommendation of the Nomination and Remuneration Committee, subject to the overall approval by the members of the Company. In view of Net loss incurred by the Company for Financial Year ended March 31, 2022, no Commission has been approved by the Board for Financial Year 2021-22.

Non-Executive Directors (including Independent Directors) are also entitled to reimbursement of expenses incurred in performance of the duties as Directors and Members of the Committees.

The details of the sitting fees paid to Independent Directors for the Financial Year ended March 31, 2022 are as follows:

Name of Independent Director	Sitting Fees paid for FY 2021-22 (in ₹)
Mr. Arun Thiagarajan	18,00,000
Mr. Arun Adhikari	15,50,000
Mr. Ashwani Windlass	19,00,000
Mr. Krishnan Ramachandran	18,00,000
Ms. Neena Gupta	13,00,000
Mr. Suresh Vaswani	20,50,000

There were no pecuniary relationships/transactions between your Company and the Non-Executive Directors/Independent Directors during the year, apart from sitting fees.

### (iii) Details of Shareholding of Non-Executive Directors

The details of shareholding of Directors as on March 31, 2022 are as under:

Name of Director	No. of Equity Shares*
Mr. Arun Thiagarajan	28,542
Mr. Himanshu Kapania	27,06,276
Mr. Sunil Sood	10,717
Mr. Sushil Agarwal (appointed w.e.f. August 4, 2021)	1,48,044
Mr. Krishna Kishore Maheshwari (appointed w.e.f. March 3, 2022)	51,000

\*Shares held singly or as a first shareholder are only considered.

## C. Stakeholders Relationship Committee

The Company has in place a Stakeholders' Relationship Committee which look into various aspects of interest of shareholders, debenture holders and other security holders. The Committee monitors redressal of complaints of shareholders, debenture holders and other security holders relating to transfer/transmission of shares, non-receipt of annual report, dividend payment, issue of duplicate share certificates and other related complaints. In addition, the Committee also monitors other issues including status of Dematerialisation/Rematerialisation of shares issued by the Company. The role of the Committee also includes evaluating performance and service standards in respect of services rendered by the Registrar and Share Transfer Agent.

### Composition, Meetings and Attendance

The composition of Stakeholders' Relationship Committee is in conformity with the provisions of Companies Act, 2013 and Regulation 20 of the Listing Regulations. Mr. Krishna Kishore Maheshwari (Non-Executive) as Chairman was appointed on March 03, 2022 in place of erstwhile Chairman Mr. D. Bhattacharya. As on March 31, 2022, the Committee comprises of four members namely, Mr. Krishna Kishore Maheshwari (Non-Executive) as Chairman, Ms. Neena Gupta (Independent), Mr. Ravinder Takkar (Managing Director & Chief Executive Officer) and Mr. Himanshu Kapania (Non-Executive). The Company Secretary acts as a Secretary to the Committee. During the Financial Year 2021-22, the Stakeholders' Relationship Committee met once on March 29, 2022 and the said meeting was attended by all the members of the Committee.

### Compliance Officer

Mr. Pankaj Kapdeo, Company Secretary, acts as the Compliance Officer of the Company. The Compliance Officer briefs the Committee on the grievances/queries of the investors and the steps taken by the Company for redressing their grievances. He is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Compliance Officer can be contacted at:

Vodafone Idea Limited  
Birla Centurion, 10th Floor,  
Century Mills Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai – 400 030  
Tel: +91-9594003434  
Fax: +91-22-26527080  
Email: [shs@vodafoneidea.com](mailto:shs@vodafoneidea.com)

### Investor Grievances Redressal Status

During the Financial Year 2021-22, the complaints and queries received from the shareholders in the previous year was low compared to the previous Financial Year 2020-21. Few complaints were concerning non-receipt of Annual Reports etc. There were NIL Complaints as on April 1, 2021 and only 1 Complaint was pending as on March 31, 2022.

The status of Investors' Complaints as on March 31, 2022, is as follows:

No. of complaints as on April 1, 2021	0
No. of complaints received during the Financial year 2021-22	111
No. of complaints resolved upto March 31, 2022	110
No. of complaints pending as on March 31, 2022	1

To redress investor grievances, the Company has a dedicated email ID [shs@vodafoneidea.com](mailto:shs@vodafoneidea.com) to which investors may send complaints.

### D. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee is constituted in accordance with Section 135 of the Companies Act, 2013 and applicable rules thereto. The CSR Committee evaluates and recommends to the Board the CSR activities to be undertaken and amount to be spent on CSR activities. The CSR Committee monitors the CSR policy from time to time.

As on March 31, 2022, the Committee comprised of four members, with majority Independent Directors. Ms. Neena Gupta, Independent Director is the Chairperson of the Committee, Mr. Arun Adhikari (Independent), Mr. Krishnan Ramachandran (Independent) and Mr. Ravinder Takkar (Managing Director & Chief Executive Officer) are other members of the Committee. Mr. P Balaji – Chief Regulatory & Corporate Affairs Officer and CSR Head is the permanent invitee to all the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. During the Financial Year 2021-22, the Committee met on May 31, 2021 and March 30, 2022 and the said meetings were attended by all the members of the Committee.

The Ministry of Corporate Affairs – CSR Cell vide its letter dated April 9, 2019 had directed the Company to spend the unspent CSR amount for Financial Year 2015-16 and Financial Year 2016-17, aggregating to ₹ 727.2 Mn in 8 equal quarterly instalments, commencing from the quarter beginning April–June 2019. The Company has successfully completed the said obligation. Further, the unspent liability of

Financial Year 2017-18 amounting to ₹ 228.2 Mn to be spent over 8 quarters commencing from April 2021 was also underway. ₹ 114.1 Mn was received and Vodafone Foundation had spent the same on Committee approved CSR projects.

The details of CSR activities undertaken in Financial Year 2021-22 are provided in the Boards' Report. The focus areas for Company's CSR activities were health care, education, sustainable livelihood, infrastructure development and social change. Further, necessary approvals were obtained to relook at the proposed projects and re-allocate some budget towards COVID-19 relief work. The Annual Report on the CSR activities for the Financial Year ended March 31, 2022 is attached as 'Annexure B' to the Board's Report. Corporate Social Responsibility Policy of the Company was amended during the year under review and the same is available on the Company's website [www.myvi.in](http://www.myvi.in).

### E. Risk Management Committee

In compliance with the requirements of Regulation 21 of the Listing Regulations, the Board has duly constituted the Risk Management Committee. The Committee's prime responsibility is to frame, implement and monitor the Enterprise Risk Management framework for the Company. The Committee reviews and monitors the risk management plan and ensures its effectiveness. The Committee comprised of four members – two Non-Executive Directors and two Independent Directors. Mr. Himanshu Kapania (Non-Executive) is the Chairman of the Committee and Mr. Sunil Sood (Non-Executive), Mr. Arun Adhikari (Independent) and Mr. Ashwani Windlass (Independent) are other members of the Risk Management Committee. Pursuant to the resignation of Mr. Diego Massidda on January 21, 2022, Mr. Sunil Sood was appointed as member of the Committee in his place. The Managing Director & Chief Executive Officer and the Chief Financial Officer are permanent invitees to the meetings. The Company Secretary acts as the Secretary to the Committee.

During the Financial Year 2021-22, the Risk Management Committee met twice on December 17, 2021 and March 29, 2022 and the said meetings were attended by all the members of the Committee.

### F. Capital Raising Committee

Your Board had constituted a Capital Raising Committee to evaluate various modes of equity issuance for raising further funds of upto ₹ 25,000 Crore such as Rights Issue/Qualified Institutions Placement /Preferential Issue etc. The Capital Raising Committee comprised

of Mr. Krishna Kishore Maheshwari as the Chairman of the Committee who joined the Committee pursuant to the resignation of Mr. D Bhattacharya from the Board of the Company and Mr. Ravinder Takkar, Mr. Ashwani Windlass and Mr. Arun Thiagarajan as the members of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the Financial Year 2021-22, the Capital Raising Committee met once on March 31, 2022 and the said meeting was attended by all the members of the Committee.

### G. Finance Committee

The Company had a Finance Committee to approve matters relating to availing of financial / banking facilities and other treasury and banking related matters. Finance Committee looks into matters pertaining to fund and non-fund based borrowings, investments, working capital management besides other powers granted to it by the Board.

The Committee comprised of five members namely, Mr. D, Bhattacharya, Mr. Ravinder Takkar, Mr. Himanshu Kapania, Mr. Diego Massidda and Mr. Akshaya Moondra (Chief Financial Officer). During the year, pursuant to resignation of Mr. D Bhattacharya and appointment of Mr. Krishna Kishore Maheshwari w.e.f. March 3, 2022, the composition of the Committee was changed to that effect.

The Committee met thrice on July 24, 2021, December 17, 2021 and December 25, 2021 and the said meetings were attended by all the members of the Committee.

### 3. SUBSIDIARY COMPANIES

The subsidiary companies are managed by their individual Board of Directors. The policy for determining material subsidiary is available on the Company's website [www.myvi.in](http://www.myvi.in). Due to networth of the Company being negative, You Broadband India Limited, Connect (India) Mobile Technologies Private Limited, Vodafone Idea Communication Systems Limited, Vodafone Idea Shared Services Limited and Vodafone Manpower Services Limited were material subsidiaries of the Company as per Regulation 16(1)(c) of the SEBI Listing Regulations.

Further in accordance with Regulation 24(1) of the SEBI Listing Regulations, Mr. Krishnan Ramachandran, Independent Director of the Company has been appointed on the Board of the aforesaid material subsidiary companies. Your Company and its material unlisted subsidiaries undertake Secretarial Audit, and the Secretarial Audit Report, form part of this Annual Report.

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies, including loans made by the Company in subsidiaries. The minutes of the subsidiary companies and significant developments of the unlisted subsidiary companies are periodically placed before the Board.

## 4. DISCLOSURES

### a. Related Party Transactions

All contracts/arrangements/transactions entered by the Company with the related parties during the financial year as detailed in Note No. 56 of the Standalone Financial Statements were in ordinary course of business and at an arm's length basis and were approved by the Audit Committee under specific provisions of the Companies Act, 2013. None of the transactions with related parties were in conflict with the Company's interest. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. The details of arrangement/transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions read with the Listing Regulations are disclosed in Form AOC-2. Member's approval for material Related Party Transaction, as defined under the Listing Regulations, shall be obtained at the ensuing Annual General Meeting. All Related Party Transactions are placed before the Audit Committee for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. In compliance with Listing Regulations, the necessary statements/disclosures with respect to the Related Party Transactions, are tabled before the Audit Committee and the Board of Directors on quarterly basis. The Company has implemented a Related Party Transaction manual and Standard Operating Procedures for the purpose of identification and monitoring of such transactions. The details of the transactions with Related Parties are provided in the accompanying financial statements as required under Ind AS 24. In line with requirement of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, your Company has adopted a Policy on Related Party Transactions which is available at Company's website [www.myvi.in](http://www.myvi.in).

### b. Disclosure of Accounting Treatment

In the preparation of standalone and consolidated financial statements, your Company has followed all the applicable Indian Accounting Standards and the generally accepted accounting principles in India.

**c. Details of non-compliance with regard to the Capital Markets**

There has been no instances of non-compliance by your Company and no penalties or strictures have been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**d. Proceeds from public issues, rights issues, preferential issues etc.**

On March 3, 2022, the Company approved the issuance of upto 3,383,458,645 Equity Shares at ₹ 13.30 per Equity Share (including a premium of ₹ 3.30 per Equity Share), aggregating to approximately ₹ 45,000 Mn on a preferential basis to the promoters of the Company viz. Aditya Birla Group (through Oriana Investments Pte. Ltd.) and Vodafone Group (through Euro Pacific Securities Ltd. and Prime Metals Ltd.). The said preferential issue was approved by the shareholders of the Company in the Extra-ordinary General Meeting (EGM) held on March 26, 2022 and Equity Shares were allotted on March 31, 2022. The proceeds received from Vodafone Group amounting to ₹ 33,750 Mn were utilized for payments due to Indus Towers Limited (utilized on March 31, 2022) and proceeds received from Aditya Birla Group amounting to ₹ 11,250 Mn were utilized towards general corporate purposes (utilised on April 1, 2022) and thus proceeds raised were accordingly utilized towards the objects stated in the notice of the EGM. The uses/ application of proceeds/funds raised have been disclosed to the Audit Committee.

**e. Prevention of Insider Trading**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of the Company ("the Insider Trading Code"). The Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated Persons (including Directors, Key Managerial Personnel and employees) of your Company are covered under the Insider Trading Code, which provides inter-alia for periodical disclosures and obtaining pre-clearances for trading in the securities of your Company.

The policy and the procedures are periodically revised from time to time and communicated to the Designated Persons. Trading window closure is intimated to all employees and to the Stock Exchange in advance, whenever required.

The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

**f. Whistle Blower Policy/ Vigil Mechanism**

Your Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and Employees pursuant to which a Committee has been constituted for addressing complaints received from Directors and Employees concerning unethical behavior, actual or suspected fraud and violation of Code of Conduct or Ethics Policy of your Company. The Policy provides adequate safeguards against victimization of Director(s)/ Employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. Your Company hereby affirms that no Director/Employee has been denied access to the Chairman of the Audit Committee.

**g. Consolidated fees paid to Statutory Auditors**

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity for Financial Year 2021-22 of which the Statutory Auditors are a part is as under:

Audit Fees	₹ 77.50 Mn
Certification and other services	₹ 19.70 Mn
Reimbursement of out-of-pocket expenses	₹ 0.09 Mn
<b>Total</b>	<b>₹ 97.30 Mn</b>

**h. Compliance with the Mandatory Corporate Governance Requirements as prescribed under the Listing Regulations**

The Board of Directors periodically review the compliance of all applicable laws. The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulations 46 of the Listing Regulations. The Company has obtained a certificate affirming the compliances from M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, the Company's Statutory Auditors and the same is appended as an Annexure to this Report.

**i. Details of Compliances with the Non-mandatory Corporate Governance as prescribed under the SEBI (LODR) Regulations, 2015**

In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements as prescribed in Regulation 27 of the Listing Regulations:

- The position of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals.

- Your Company maintains a separate office for the Non-Executive Chairman. All necessary infrastructure and assistance is made available to enable him to discharge his responsibilities effectively.
- The statutory financial statements of your Company are unqualified.
- The quarterly results along with the press release, as approved by the Board are first submitted to the stock exchanges. The same are then uploaded on the website of the Company [www.myvi.in](http://www.myvi.in). On the next day of the announcement of the quarterly results, an earnings call is organised, where the management responds to the queries of the investors/ analysts. These calls are webcast live and transcripts thereof are posted on the website.
- The internal auditor directly reports to the Audit Committee.

**j. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

- Number of Complaints filed during the Financial Year - 5
- Number of Complaints disposed of during the Financial Year - 3
- Number of Complaints pending as on end of the Financial Year - 2

**5. MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed report on Management Discussion and Analysis forms part of the Annual Report.

**9. GENERAL BODY MEETINGS**

The details pertaining to last three Annual General Meetings of the Company are provided:

Financial Year	Date	Time	Venue	Particulars of Special Resolution(s)
2020-21	September 29, 2021	03:00 p.m.	By Video Conferencing and Other Audio Visual Means	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Arun Adhikari as an Independent Director of the Company for another term of three years.</li> <li>Re-appointment of Mr. Ashwani Windlass as an Independent Director of the Company for another term of three years.</li> <li>Re-appointment of Ms. Neena Gupta as an Independent Director of the Company for another term of three years.</li> </ol>
2019-20	September 30, 2020	02:30 p.m.	By Video Conferencing and Other Audio Visual Means	<ol style="list-style-type: none"> <li>Borrowing powers to not exceed ₹ 1,00,000 Crore or the aggregate of the paid-up capital, free reserves and securities premium account of the Company, whichever is higher.</li> <li>Creation of security on property.</li> <li>Alteration of articles of Association.</li> <li>Issuance of securities for amount not exceeding ₹ 15,000 Crore.</li> </ol>
2018-19	August 27, 2019	12:30 p.m.	Cambay Sapphire (Formerly Cambay Spa and Resort), Plot No.22-24, Near GIDC, Opposite Hillwoods School, Sector 25, Gandhinagar – 382 044, Gujarat.	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Arun Thiagarajan as an Independent Director of the Company for another term of three years.</li> <li>Approval of Amendment to Articles of Association of the Company.</li> </ol>

**6. CEO / CFO CERTIFICATION**

As required under Regulation 17(8) of the Listing Regulations, certificate duly signed by the CEO/ CFO of the Company is appended as an Annexure to this Report.

**7. REPORT ON CORPORATE GOVERNANCE**

This Corporate Governance Report forms part of the Annual Report. The Company is in compliance with the Corporate Governance requirements specified under regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the Listing Regulations.

**8. COMPLIANCES**

- A certificate from the Company's Statutory Auditors M/s S.R. Batliboi & Associates LLP, Chartered Accountants, affirming compliance with the conditions of the Corporate Governance as stipulated under Regulation 34 read with Schedule V (E) of the Listing Regulations is appended as an Annexure to this report.
- A certificate from M/s Umesh Ved & Associates, Practicing Company Secretaries, as required under the Listing Regulations confirming that none of the Directors of the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority is appended as Annexure to this report.
- During the year under review, the Board has accepted the recommendations made by the various Board Committees constituted.



### Extra-ordinary General Meeting

The details of Extra-ordinary General Meeting held during the Financial Year 2021-22.

Financial Year	Date	Time	Venue	Particulars of Special Resolution(s)
2021-22	March 26, 2022	03:00 p.m.	By Video Conferencing and Other Audio Visual Means	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Suresh Vaswani as an Independent Director of the Company for another term of three years.</li> <li>2. Re-appointment of Mr. Krishnan Ramachandran as an Independent Director of the Company for another term of three years.</li> <li>3. Amendment to the Articles of Association.</li> <li>4. Issue of Equity Shares on a Preferential Basis.</li> <li>5. Issuance of Securities upto and an aggregate amount of ₹ 10,000 Crore.</li> <li>6. Alteration in the Authorised Share Capital of the Company and amendment in the Capital Clause of MoA.</li> </ol>

### Tribunal Convened Meetings

There was no Tribunal convened Meeting held during the Financial Year 2021-22.

### Postal Ballot

There was no Special Resolution passed through Postal Ballot during the Financial Year 2021-22. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

## 10. MEANS OF COMMUNICATION

### Quarterly Results, Presentation and News Releases

The Company's quarterly financial results, presentation made to Institutional Investors/Analysts, quarterly reports, official news releases and other general information about the Company sent to the Stock Exchanges and are also uploaded on the Company's website [www.myvi.in](http://www.myvi.in).

The Company's quarterly financial results are published in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular newspaper of the State of Gujarat where the Registered Office of the Company is situated. The quarterly financial results during the Financial Year 2021-22, were published in Business Standard (all editions) and Western Times (a regional daily published in Ahmedabad, Gujarat).

At the end of each quarter, the Company organizes earnings call with the analysts and investors and the

transcripts of the same are thereafter uploaded on the website of the Company.

### Website

The Company's website [www.myvi.in](http://www.myvi.in) has a dedicated section for investor relations containing the financial results, shareholding pattern, annual reports, quarterly reports, updates / intimations filed with Stock Exchange(s), various policies adopted by the Board.

### NSE Electronic Application Processing System (NEAPS) and BSE Portal for Electronic filing

All periodical compliance filings, like shareholding pattern, Corporate Governance Report, media releases and other material information is filed electronically on the designated portals (NEAPS and BSE Listing Centre).

## GENERAL SHAREHOLDERS' INFORMATION

### 1. Annual General Meeting

Day and Date	: Monday, August 29, 2022
Time	: 3.00 p.m. IST
Venue	: The Company is conducting meeting through Video Conferencing and Other Audio Visual Means pursuant to the MCA Circulars and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of the AGM over Video Conferencing.

**2. Financial Calendar for 2022-23 (Tentative)**

Financial reporting for the quarter ending June 30, 2022	: By August 14, 2022
Financial reporting for the quarter ending September 30, 2022	: By November 14, 2022
Financial reporting for the quarter ending December 31, 2022	: By February 14, 2023
Financial reporting for the year ending March 31, 2023	: By May 30, 2023
Annual General Meeting for the Financial Year 2022-23	: By August 31, 2023

**3. Book Closure Date** : August 22, 2022 – August 29, 2022 (both days inclusive)

**4. Dividend** : Nil

**5. Dividend Payment Date** : Not Applicable (Since no Dividend is recommended for Financial Year 2021-22)

**6. Registered Office** : Suman Tower, Plot No. 18, Sector - 11, Gandhinagar – 382 011, Gujarat  
Tel: +91-79-66714000  
Fax: +91-79-23232251

**10. Stock Price Data**

The monthly high and low prices and volume of shares of the Company at the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the Financial Year 2021-22 are as under:

Month	BSE Limited				National Stock Exchange of India Limited			
	High (in ₹)	Low (in ₹)	Close (in ₹)	Volume (in Nos.)	High (in ₹)	Low (in ₹)	Close (in ₹)	Volume (in Nos.)
April, 2021	10.12	8.30	8.36	758,246,679	10.15	8.30	8.35	2,571,583,110
May, 2021	9.15	8.05	8.67	858,270,483	9.15	8.05	8.65	2,359,257,395
June, 2021	10.98	8.47	9.95	1,674,478,642	10.95	8.45	9.95	5,590,296,317
July, 2021	9.92	7.87	8.27	1,699,273,294	9.90	7.90	8.25	6,786,567,925
August, 2021	8.54	4.55	6.11	2,916,821,601	8.55	4.55	6.10	10,457,000,171
September, 2021	12.37	6.02	11.90	3,987,994,038	12.35	6.00	11.90	15,889,651,672
October, 2021	12.23	9.35	9.55	1,457,138,290	12.25	9.35	9.55	5,284,956,750
November, 2021	12.39	9.52	11.07	1,484,252,929	12.40	9.50	11.05	5,236,415,113
December, 2021	16.79	10.72	15.37	3,001,618,486	16.80	10.70	15.35	12,396,136,542
January, 2022	16.05	10.55	10.70	1,089,602,362	16.05	10.50	10.65	7,577,837,003
February, 2022	11.95	9.46	10.32	1,460,038,522	11.95	9.45	10.30	4,994,351,071
March, 2022	11.70	9.35	9.68	1,523,842,391	11.35	9.35	9.65	4,154,676,069

Source: BSE and NSE Website

**7. Listing Details**

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of Stock Exchanges	
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

The Annual Listing fees for the Financial Year 2021-22 has been paid to the above Stock Exchanges.

**8. Stock Codes**

	Stock Code	Reuters	Bloomberg
BSE Limited	532822	VIL.BO	VIL IN
National Stock Exchange of India Limited	IDEA	VIL.NS	NVIL IN
ISIN No. of Equity Shares	INE669E01016		
CIN	L32100GJ1996PLC030976		

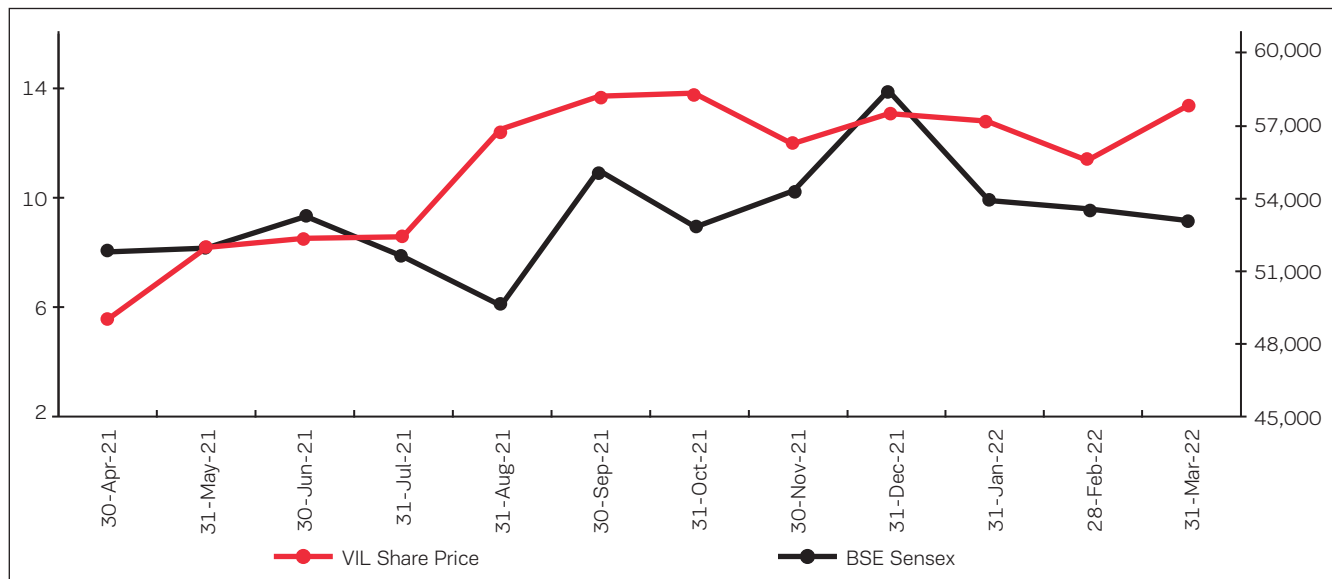
**9. Debt Securities**

The Non-Convertible Debentures issued by the Company are listed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited.

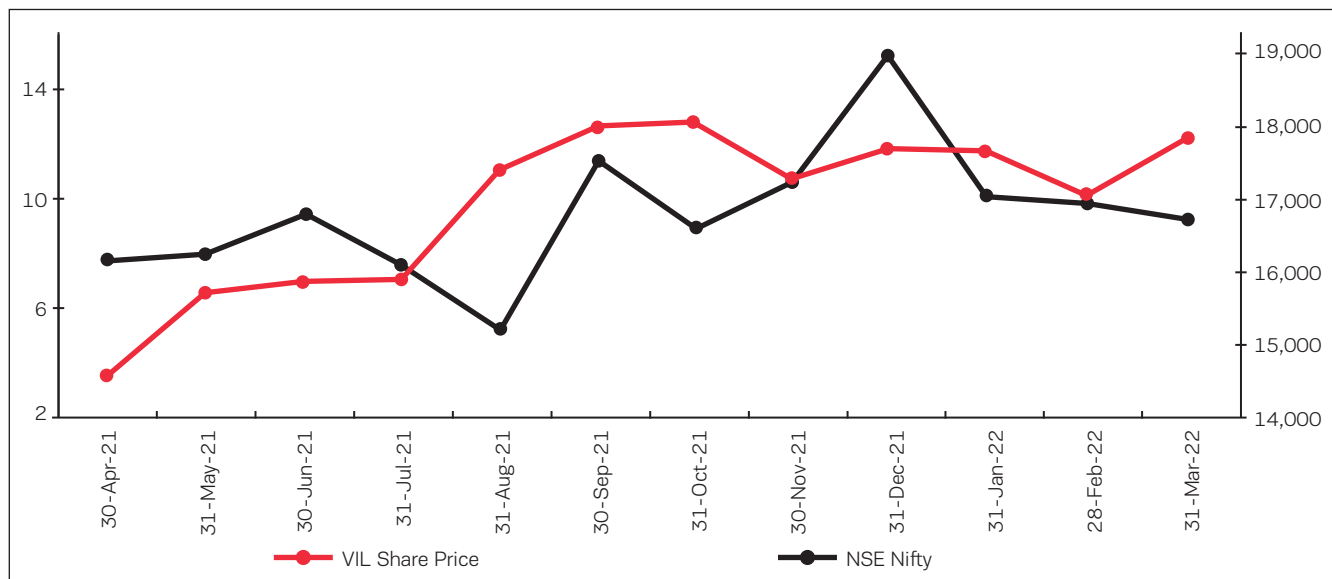
**11. Stock Performance**

The performance of the Company’s share price vis-à-vis the broad based BSE and NSE indices during the Financial Year 2021-22 is as under:

(a) Comparison of the Company’s Share Price with BSE Sensex



(b) Comparison of the Company’s Share Price with NSE Nifty



**12. Registrar and Share Transfer Agents**

M/s. Bigshare Services Private Limited  
 Office No. S6-2, 6th Floor,  
 Pinnacle Business Park, Next to Ahura Centre,  
 Mahakali Caves Road, Andheri (East),  
 Mumbai - 400 093

**13. Debenture Trustees**

M/s IDBI Trusteeship Services Limited  
 Asian Building, Ground Floor,  
 17, R. Kamani Building,  
 Ballard Estate,  
 Mumbai – 400 001

## 14. Share Transfer System

More than 99.99% of the equity share capital of the Company is held in Demat form. Transfer of shares in dematerialized form is done through the depositories without any involvement of the Company. In terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, w.e.f. April 1, 2019, the Company has stopped effecting transfer of securities in physical form unless the securities are held in dematerialised form with the depository, i.e. National Securities Depository Limited and Central Depository Services (India) Limited. In view of the above and the inherent benefits of holding securities in electronic form, shareholders holding shares in physical form are requested to opt for dematerialisation. Company also obtains yearly certificate from a Practicing Company Secretary confirming compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and same is filed with the Stock Exchanges.

## 15. Distribution of Shareholding

The distribution of shareholding of the Company as on March 31, 2022 is as follows:

Number of Equity Shares held	Number of Shareholders	% to total Shareholders	No. of Shares held	% to total Shareholding
Upto 5000	2,071,969	74.05	203,030,259	0.63
5001 - 10000	264,482	9.45	224,832,062	0.70
10001- 20000	174,159	6.22	273,212,851	0.85
20001 - 30000	72,683	2.60	189,167,416	0.59
30001 - 40000	37,808	1.35	137,311,472	0.43
40001 - 50000	39,525	1.41	189,359,819	0.59
50001 - 100000	65,623	2.35	506,769,850	1.58
100001 & above	71,631	2.56	30,395,164,156	94.63
<b>Total</b>	<b>2,797,880</b>	<b>100.00</b>	<b>32,118,847,885</b>	<b>100.00</b>

## 16. Shareholding Pattern

The shareholding pattern of the Company as on March 31, 2022 is as follows:

Sr. No.	Category	No. of Shares	% Shareholding
I.	<b>Promoter and Promoter Group</b>	24,087,376,727	74.99
II	<b>Public Shareholding</b>		
	<b>(a) Institutional Investors</b>		
	Foreign Portfolio Investors	1,147,876,098	3.57
	Mutual Fund / Venture Funds	454,085,536	1.41

Sr. No.	Category	No. of Shares	% Shareholding
	Financial Institutions / Banks	2,847,392	0.01
	Insurance Companies	91,977,689	0.29
	<b>(b) Others</b>		
	Bodies Corporate (Indian)	518,707,512	1.61
	Non-Resident Indians	175,066,818	0.55
	Others	269,046,292	0.33
	Individuals	5,371,863,821	17.23
	<b>Total</b>	<b>32,118,847,885</b>	<b>100.00</b>

## 17. Dematerialisation of Shares and Liquidity

The Shares of the Company are compulsorily tradable in dematerialized form through both the Depository Systems in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). A total number of 32,118,838,063 Equity Shares of the Company constituting over 99.99% of the issued, subscribed and paid-up share capital were held in dematerialized form as on March 31, 2022.

## 18. Outstanding GDRs/ADRs etc.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

## 19. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities.

Your Company hedges its foreign currency exposure in respect of its imports and borrowings as per its laid down policies. Your Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all. The Company does not have any exposure to commodity price risks.

## 20. Plant Locations

The Company being a service provider, has no plant locations.

## 21. Investor Correspondence

In order to facilitate quick redressal of the grievances/queries, the Investors and Shareholders may contact the Company Secretary at the under mentioned corporate office address for any assistance:

Mr. Pankaj Kapdeo  
Company Secretary  
Vodafone Idea Limited  
Birla Centurion, 10th Floor  
Century Mills Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai - 400 030  
Tel: +91-9594003434  
Fax: +91-22-26527080  
E-mail: shs@vodafoneidea.com

## 22. Credit Ratings

The credit ratings outstanding for various instruments of the Company as on March 31, 2022 are as under:

Rating Agency	Instrument As on 31 March 2022	Rating
Care Ratings	Bank Facilities ( Long Term)	CARE B+ (Stable)
	Non-Convertible Debentures	CARE B+ (Stable)

## 23. Other Useful Information

### (a) Unpaid / Unclaimed Dividend

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the dividend which remains unclaimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website [www.myvi.in](http://www.myvi.in).

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven consecutive years. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of Unclaimed Dividend and shares transferred during the Financial Year 2021-22 is as follows:

Financial Year	Amount of Unclaimed Dividend Transferred	Number of Shares Transferred
2013-14	₹ 7,13,889	1,16,437

The Members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a copy of the same, duly signed to the Company at [iepf@vodafoneidea.com](mailto:iepf@vodafoneidea.com), along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

Pursuant to Section 124(5) of the Companies Act, 2013, the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Financial Year	Date of Declaration of Dividend	Dividend Declared per share (in ₹)	Due for transfer to IEPF
2014-2015	28/09/2015	0.60	02/11/2022
2015-2016	29/09/2016	0.60	03/11/2023

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company or its Registrar, for obtaining payments thereof atleast 20 days before they are due for transfer to the said fund.

Pursuant to the provisions of IEPF Rules, the Company has uploaded the details of un-paid and un-claimed amounts lying with the Company as on September 29, 2021 (date of last Annual General Meeting) on the Company's website at [www.myvi.in](http://www.myvi.in) and on the website of the Investor Education and Protection Fund Authority at [www.iepf.gov.in](http://www.iepf.gov.in).

### (b) E-Voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44 of the Listing Regulations, members have been provided the facility to exercise their right to vote at General Meetings by electronic means, through e-Voting Services provided by NSDL.

**(c) Disclosure regarding appointment or re-appointment of Directors**

Brief profile of the Directors seeking appointment or re-appointment is annexed to the Notice convening the 27<sup>th</sup> Annual General Meeting forming part of this Annual Report.

**(d) Details of unclaimed shares in terms of Regulation 39 of the Listing Regulations**

In terms of regulation 39 (4) of the Listing Regulations, the details in respect of equity shares lying in the suspense accounts which were issued in Demat form pursuant to the Initial Public Offer (IPO) of the Company in the year 2007 as well as Rights Issue as concluded in May 2019 are as given below:

Particulars	No. of cases	No. of shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year i.e. as on April 1, 2021	23	1,37,018
<b>TOTAL</b>	<b>23</b>	<b>1,37,018</b>

Particulars	No. of cases	No. of shares
<b>(Less)</b> Number of shareholders whose shares transferred to IEPF account from suspense account during the Financial Year 2021-22	NIL	NIL
<b>(Less)</b> Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2021-22	NIL	NIL
<b>(Add)</b> Shares recovered from shareholder during the financial year 2021-22	NIL	NIL
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2022	23	1,37,018

The Voting rights on the shares in the suspense account as on March 31, 2022 shall remain frozen till the rightful owners of such shares claim the shares. The Company sends periodic reminders to the concerned shareholders advising them to lodge their claims with respect to unclaimed shares.

## CEO/CFO CERTIFICATION

**To,  
The Board of Directors  
Vodafone Idea Limited**

We, Ravinder Takkar, Managing Director & Chief Executive Officer and Akshaya Moondra, Chief Financial Officer, of **Vodafone Idea Limited** ('the Company'), to the best of our knowledge and belief, hereby certify that:

- a) We have reviewed the financial statements and cash flow statements of the Company for the year ended March 31, 2022 and:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are no transactions entered into by the Company during the year ended March 31, 2022, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and steps that have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee, wherever applicable:
  - i) Significant changes in the internal control over financial reporting during the year;
  - ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai  
Date : May 10, 2022

**Ravinder Takkar**  
Managing Director &  
Chief Executive Officer

**Akshaya Moondra**  
Chief Financial Officer

## DECLARATION

As provided under the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel of Vodafone Idea Limited have confirmed compliance with the Code of Conduct for the year ended March 31, 2022.

Place: Mumbai  
Date : May 10, 2022

**Ravinder Takkar**  
Managing Director & Chief Executive Officer

## Certificate of Non-Disqualification of Directors

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To,  
The Members of  
Vodafone Idea Limited**

Suman Tower,  
Plot No.18, Sector-11,  
Gandhinagar -382011  
Gujarat

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Vodafone Idea Limited having CIN: L32100GJ1996PLC030976 and having registered office at Suman Tower, Plot No.18, Sector- 11, Gandhinagar -382011, Gujarat (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S r. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Himanshu Kapania <sup>#</sup>	03387441	1 April 2011
2.	Mr. Ravinder Takkar <sup>*</sup>	01719511	31 August 2018
3.	Mr. Arun Kumar Adhikari	00591057	31 August 2018
4.	Mr. Arun Kannan Thiagarajan	00292757	2 September 2006
5.	Mr. Ashwani Windlass	00042686	31 August 2018
6.	Mr. Krishnan Ramachandran	00193357	27 December 2018
7.	Ms. Neena Gupta	02530640	17 September 2018
8.	Mr. Suresh Choithram Vaswani	02176528	8 February 2019
9.	Mr. Sunil Sood	03132202	24 February 2021
10.	Mr. Diego Massidda	09067108	24 February 2021
11.	Mr. Sushil Agarwal	00060017	4 August 2021
12.	Mr. Krishna Kishore Maheshwari	00017572	3 March 2022

<sup>#</sup> Appointed as Chairman (Non-Executive) of the Board w.e.f. close of business hours of i.e. 04 August 2021

<sup>\*</sup> Designated as Managing Director & Chief Executive Officer w.e.f. 19 August 2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Umesh Ved**  
**UmeshVed & Associates**  
**Company Secretaries**  
**FCS No. : 4411**  
**C.P. No. : 2924**  
**UDIN: F004411D000299640**

Place: Ahmedabad  
Date: May 10, 2022



## **Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

### **The Members of Vodafone Idea Limited**

1. The Corporate Governance Report prepared by Vodafone Idea Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2022 as required by the Company for annual submission to the Stock exchange.

### **Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### **Auditor's Responsibility**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires

that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on March 31, 2022 and verified that at least one independent woman director was on the Board of Directors throughout the year;
  - iv. Obtained and read the minutes of the following meetings / other meetings held April 1, 2021 to March 31, 2022:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM);
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Risk Management Committee;
    - (g) Finance Committee;
    - (h) Capital Raising Committee;
    - (i) Corporate Social Responsibility Committee
    - (j) Extra-ordinary General Meeting.

- v. Obtained necessary declarations from the directors of the Company.
  - vi. Obtained and read the policy adopted by the Company for related party transactions.
  - vii. Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved by the audit committee.
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 4 above.

### Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency

or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Per **Nilangshu Katriar**

Partner

Membership Number: 58814

UDIN: 22058814AISKXG1204

Place: Mumbai

Date: May 10, 2022

# BUSINESS RESPONSIBILITY REPORT

## About this Report

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates top 100 listed entities based on market capitalization on the BSE and NSE, to include Business Responsibility Report as part of the Annual Report describing the initiatives taken by the Companies from Environmental, Social and Governance perspectives.

This Business Responsibility Report, is as per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides general information about the Company and its business responsibility as required by SEBI.

The following five sections cover disclosures as per the SEBI suggested BRR framework:

## Section A: General Information about the Company

S. No.	Description	Information
1	Corporate Identity Number	L32100GJ1996PLC030976
2	Name of the Company	Vodafone Idea Limited
3	Registered Address	Suman Tower, Plot No. 18, Sector 11, Gandhinagar - 382 011, Gujarat
4	Website	<a href="http://www.myvi.in">www.myvi.in</a>
5	Email Id	shs@vodafoneidea.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Telecommunication services Group : 9984 Class : 99841 Sub-class : 998413
8	List three key products/services that the Company manufactures / provides (as in balance sheet)	Vodafone Idea Limited is India's leading telecommunication services provider. The Company provides Pan-India Voice and Data services across 2G, 3G and 4G platforms. With the large spectrum portfolio to support the growing demand for data and voice, the Company is committed to deliver delightful customer experiences and contribute towards creating a truly 'Digital India' by enabling millions of citizens to connect and build a better tomorrow. The Company is developing infrastructure to introduce newer and smarter technologies, making both retail and enterprise customers future ready with innovative offerings, conveniently accessible through an ecosystem of digital channels as well as extensive on-ground presence.
9	Total number of locations where business activity is undertaken by the Company:	
	i. Number of International Locations (provide details of major 5)	None
	ii. Number of National Locations	Company has its business activities and operations spread across the country.
10	Markets served by the Company – Local/ State/ National/International	The Company serves the Indian market.

## Section B: Financial Details of the Company

S. No.	Description	Information
1	Paid-up capital (₹)	The paid-up equity capital of the Company as on March 31, 2022 is ₹ 321,188,478,850/- comprising of 32,118,847,885 Equity Shares of ₹ 10/- each
2	Total Turnover (₹)	₹ 383,182 Mn
3	Total Profit / (Loss) after taxes (₹)	₹ (282,372) Mn
4	Total spending on Corporate Social Responsibility (CSR) as percentage of Profit After Tax (%)	The average net profits calculated for the last three financial years is negative. However, company has undertaken CSR activity for two reasons. One company believes in giving and caring for the underprivileged and inclusion of all. Two, the Ministry of Corporate Affairs (MCA) has directed the company to spend the unspent CSR obligation aggregating to ₹ 727 Mn for Financial Years 2015-16 and 2016-17 in 8 quarterly instalments of ₹ 91 Mn each, commencing from April-June 2019. MCA had granted your company an extension of one quarter in disbursement and reporting. Additionally, MCA has directed the company to spend the unspent CSR obligation of ₹ 228 Mn for Financial Year 2017-18 in 8 equal instalments over 8 quarters, commencing from April 2021. Accordingly, the Board of the company has passed a resolution to spend the unspent CSR obligation for Financial Year 2017-18 in 8 equal quarters beginning from April-June 2021. In the Financial Year 2021-22, the company has spent ₹ 229 Mn, which includes ₹ 115 Mn towards completion of obligation of Financial Years 2015-16 and 2016-17 and ₹ 114 Mn towards 4 out of 8 quarters obligation of Financial Year 2017-18.
5	List of activities in which expenditure in 4 above has been incurred	<p>The CSR projects implemented during Financial Year 2021-22 are:-</p> <ul style="list-style-type: none"> <li>- Jigyasa – Building Knowledge for Life</li> <li>- Financial Literacy - Jaadu Ginni Ka</li> <li>- Digital Village – Empowering Communities: RSV</li> <li>- Connecting for Good</li> <li>- Smart Agri - Leveraging Technology for Self Subsistence to Enterprise Farming</li> <li>- Vi Scholarships</li> <li>- Facilitating COVID-19 Vaccination of underserved communities</li> </ul> <p>Vodafone Idea's CSR program focuses on activities that includes promoting and development of (a) education, (b) financial literacy, (c) empowerment of women, (d) agriculture &amp; livelihood, (e) eradication of poverty.</p> <p>During the Financial Year 2021-22 the Company's CSR initiatives positively impacted the lives of around 25 Lakh people and 50 Lakh students (indirectly) across 33 States &amp; UTs (Arunachal Pradesh, Chandigarh, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, Telangana, Tripura, Uttar Pradesh, Madhya Pradesh, Rajasthan, Chhattisgarh, Uttarakhand, Andhra Pradesh, Assam, Bihar, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu &amp; Kashmir, Jharkhand, Karnataka, Kerala, Leh, Maharashtra, Odisha, Punjab, Tamil Nadu, and West Bengal) through multiple initiatives undertaken in these areas.</p>

**Section C: Other Details**

S. No.	Description	Information
1	Does the Company have any Subsidiary Company/ Companies?	Yes. The Company has ten subsidiary companies, the details of which have been provided in the Directors' Report.
2	Do the Subsidiary Company/ Companies participate in the Business Responsibility initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).	The Company engages and positively encourages its subsidiary companies to participate in its Business Responsibility initiatives. The Company's own comprehensive Code of Conduct policy guides all its subsidiaries and makes sure that they adhere to the highest levels of ethical and transparent business practices. Yes, one subsidiary company participated in BR activities.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business which participate in the Business Responsibility initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company while onboarding its suppliers ensures alignment and compliance to all Business Responsibility (BR) expectations of Vodafone Idea. Further, they are encouraged to follow the concept of being a responsible business entity. Compliance with respect to VIL polices Supplier Code of Conduct, Vodafone Idea policies like IT Security, Data Privacy, HSW (Health Safety & Well-being). 100% compliance commitment is taken through newly developed online Vendor Compliance Portal from every Supplier before onboarding in SAP ERP. Vendor Compliance Portal is an automated portal where Supplier can view the uploaded VIL's policies. These uploaded policies are available to suppliers in 'Read Only mode'. Supplier can read the policies before acceptance. They are required to submit the acceptance template duly signed and stamped for future reference. The system has the facility to trigger notification, send reminders, upload documents, and publish reports for easy traceability. This system is completely "in-house" developed and is compliant to Vodafone Idea IT Security Policy. The Vendor Compliance Portal has received an award under the Category IoT/AI in the Voice and Data Awards'2021. For vendor risk assessment and compliance, Company uses vendor assessment tools from M/s Dow Jones. M/s. Dow Jones help to coordinate all aspects of vendor risk management, including screening data, due diligence, fraud detection, and managing regulatory & reputational risk. In case of any critical alert (Adverse Media and Criminal records) observed with business impact, the same is highlighted to respective Category Manager and Commercial HoD and for Politically Exposed Person & Sanction country list, Sanction Entity, alerts are reported to Corporate Compliance Team for confirmation.

**Section D: BR Information****1. Details of Director/Directors responsible for BR****a) Details of the Director/Directors responsible for implementation of the BR Policy/Policies**

DIN Number	01719511
Name	Mr. Ravinder Takkar
Designation	Managing Director & Chief Executive Officer

**b) Details of BR head**

S. No.	Description	Information
1	DIN Number (if applicable)	Not Applicable
2	Name	Mr. P. Balaji
3	Designation	Chief Regulatory & Corporate Affairs Officer
4	Telephone number	+91 11 23210134
5	Email-id	shs@vodafoneidea.com

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility, as listed below:

- P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3 - Businesses should promote the well-being of all employees.
- P4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5 - Businesses should respect and promote human rights.
- P6 - Businesses should respect, protect, and make efforts to restore the environment.
- P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8 - Businesses should support inclusive growth and equitable development.
- P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

## 2. Principle-wise (as per NVGs) BR Policy/Policies (Reply in Y/N)

S. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for?	Y	Y	Y	Y	Y	Y	-	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify. (50 words)	Yes, the policies conform to aspects of the nine principles of the National Voluntary Guidelines for Business Responsibilities (NVGs).								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	Y
5	Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	<p>Vodafone Idea has a BR champion and a CLT member (Chief Regulatory and Corporate Affairs Officer) monitoring the BR initiatives. The company has a cross functional team that works with different elements of NVG on an ongoing basis. This brings the policies to life in the operations of the company. Even in the case of public advocacy (giving telecom is highly regulated), highest standards of ethics are followed.</p> <p>Cross-functional thematic Sustainability Committees and Sub-committees at the Corporate level - Senior and middle Management Nominees from relevant functions drive respective initiatives. The process is coordinated by the full time Sustainability Officer/SME (Subject Matter Expert) who is also the Single Point of Contact (SPOC) for every initiative.</p> <p><b>Site Sustainability Committee / Working Groups</b></p> <p>Vodafone Idea has identified site level representation to ensure adherence to key identified responsible stewardship focus areas such as tracking all Occupational Health &amp; Safety incidents; tracking NWS and facility level energy consumed and GHG (Green House Gas) emitted; compliance to NWS EMF radiation norms; tracking all Waste (including E Waste) generated and disposed at the site level etc.</p>								
6	Indicate the link for the policy to be viewed online.	View restricted to employees, other than CSR Policy and Code of Conduct.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been communicated to all relevant stakeholders of the Company. The Company's communication with internal and external stakeholders on such matters is a continuous process.								

S. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Does the Company have in-house structure to implement the policy/policies?	<p><b>Vodafone Idea's Sustainable Business Vision</b> is "To be the most admired telecom Company following sustainable business practices, and creating long term stakeholders' value by balancing economic growth with responsible environmental practices and societal interests."</p> <p><b>The Sustainability Organogram of Vodafone Idea</b> includes:</p> <ul style="list-style-type: none"> <li>Executive Committee (EC)/National Leadership Team (NLT) chaired by Managing Director &amp; Chief Executive Officer comprising of all CXOs leading from the front.</li> <li>Chief Regulatory &amp; Corporate Affairs Officer is the designate Chief Sustainability Officer (CSO) with CSR and Sustainability Head as the Sustainability Champion.</li> <li>Sustainability Officer/Subject Matter Experts (SME) drive all companywide initiatives with HoD level SPOCs nominated from all Functions.</li> <li>Thematic Cross Functional Teams (CFT) measure and manage sustainability focus areas across the Company.</li> </ul>								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Company has a robust Sustainability Framework of Policies, Technical Standards, and Guidance Notes based not just on the local laws but also on leading International standards.								

Following policies are adopted by the Company:

1. Code of Conduct;
2. Energy & Carbon Management Policy;
3. Policy on Mission, Vision, Values;
4. Policy on prevention of Sexual Harassment;
5. Human Rights Policy; and
6. Corporate Social Responsibility Policy.



**2a. If answer to S. No. Against any Principle is 'No', please explain why?**

S. No.	Principle	Response
1	Principle 7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	<p>The Company plays an important role in advocating issues of the telecom sector and promote a progressive and fair telecom policy. The senior management of the Company actively participate in various industry for and is involved with various stakeholders for discussions regarding formulating new policies, reviewing and modifying relevant policies (described later in the report) in larger national interest.</p> <p>The Company currently does not have a stated policy on advocacy, however, it continues to monitor and follow the business and regulatory environment.</p>

**Section E: Principle-wise Performance****Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

Company's business activities and stakeholders' interactions are governed and guided by its Vision, Mission and Values. Company's vision is to create world class digital experiences to connect and inspire every Indian to build a better tomorrow. Similarly, Company's mission relates to customers, team, shareholders and community.

**Customers** - Be the most loved brand by continuously raising the bar in delivering simple, delightful, experience and meaningful innovations, through new age technologies. We value the trust our customers place in us and safeguard the information provided to us. **Team** - Be an inspirational, agile and exciting organization that challenges the status quo, and champions a diverse team that has a winning attitude and thrives on delivering customer excellence. **Shareholders** - Be the most valued Company through smart leadership committed to delivering sustainable growth, while adhering to the highest standards of governance and compliance. **Community** - Be the most respected Company by leveraging technology and purposeful innovation to catalyze social prosperity, digital literacy and inclusivity.

The five core values of Speed, Digital first, Trust, Bold and Passion exemplifies the spirit of our brand. It has helped us to build our culture that define how we behave with our employees, customers, partners and all other stakeholders. Values serve as the guiding principles for every thought and action of the Company.

Vodafone Idea adopts a straightforward and open approach, to build a culture that fosters trust. It is the basis for all its dealings and interactions with its customers, employees, suppliers, partners, shareholders, communities and the

government. Vodafone Idea is committed to taking fair and honest decisions by following the highest standards of professionalism and business ethics. The Company has a sound consequence management process in place to maintain checks and balances on these very values and policies.

Along with the core values, all Board Members and senior management personnel affirm their compliance to the Code of Conduct that adheres to the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The Code also enshrines the three fundamental principles of good corporate governance, good corporate citizenship and exemplary personal conduct.

The Company also has in place a Code of Conduct, which requires all employees to engage with each other in a dignified manner and respect diversity. Integrity in personal conduct, conduct at work, conflict of interest, and interface with the external world are all covered under the code.

Vodafone Idea is sensitive about transparent and timely communication in order to yield positive results and take faster decisions thereby enhancing the credibility of the management.

**SEBI – BRR Questionnaire Responses for Principle 1:****1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No.**

**Ans:** No. It applies to all stakeholders dealing with Vodafone Idea.

**2. Does it extend to group/joint ventures/suppliers/contractors/NGOs/Others?**

**Ans:** Vodafone Idea has adopted its own code which addresses the aspects of ethics, bribery and corruption. The five core values Speed, Digital, Trust, Bold, and Passion – have been adopted across Vi including the employees of its subsidiaries. In addition, the Company's

vendor / supplier contracts and purchase orders include clauses on ethical purchase, bribery and corruption. Due diligence screening of all high risk suppliers are also carried out at the time of onboarding.

**3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

**Ans:** Most of the complaints received during Financial Year 2021-22 have been closed except few cases which are under investigation. These are under various stages of investigations and will be closed as per the defined process. Vodafone Idea has a mechanism in place for receiving complaints from all stakeholders and it has comprehensive process for satisfactory investigation and disposal.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle.**

Vodafone Idea has a robust scrap disposal policy in place which is diligently followed and regularly revised. Scrap disposal is monitored through the online Scrap disposal module and adequate steps are taken to ensure disposal happens in accordance with rule of the land and reporting of scrap disposal happens to concerned authorities periodically.

Vodafone Idea launched Project Nirantar campaign with the spirit of continuous efforts for creating Self- awareness on Safe working through monthly different Activity and Classroom Training. Under this campaign there is **“One Month, One Event”** where continuous safety / wellness activities are planned centrally. Till date **11 monthly Topics** have been covered and around **3000 +** participants have been trained. The training is attended by VIL employees and Third Party Logistics (3PL) employees as well. The topics selected for training are well related to safety and well-being of masses. Project Nirantar has been shortlisted as a winner by the Voice and Data Awards' 2021.

Vodafone Idea Project “Rakshak” continues to educate Commercial Drivers carrying Vodafone Idea equipment across warehouses on Defensive Driving Techniques. Total drivers trained during the reporting period under this program are 6162.

Compliance on Electromagnetic Fields (EMF) radiation related regulation is another business priority at Vodafone Idea. The Company has a dedicated team of senior officials who

engage with external and internal stakeholders for awareness and education on EMF. The Company is proactively engaged in public education initiatives led by the Cellular Operators Association of India (COAI) on the subject of EMF. Vodafone Idea continues to strengthen its internal systems and processes to remain EMF compliant. Resources for ensuring compliance have been appointed in all the Clusters. The Company has made significant financial investment in the purchase of EMF monitoring equipment and is compliant with existing directions/orders of the Department of Telecommunications (DoT). As specified by DoT, the Company works closely with the COAI on the [www.tarangsanchar.gov.in](http://www.tarangsanchar.gov.in) (EMF portal) to update data related to Vodafone Idea Base Transceiver Stations (BTSs) operating across the country. The portal launched in 2017 disseminates information regarding EMF from all installed BTSs of all telecom service providers to the public.

**SEBI – BRR Questionnaire Responses for Principle 2:**

**1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

**Ans:** Following are examples of the Company's product/ service features that incorporate the aspect of environmental conservation:

- **Scrap Management Module** – In the past, scrap disposal was governed by a manual system operated through paper work only. Introduction of a web based scrap disposal Module has reduced the turn-around time of approval processes considerably. Further, it has helped in providing better visibility of the position of each scrap disposal proposal. This IT automated initiative has led to a savings of approximately 7000 A4 sheets, which is equivalent to almost 50 kg wood.
- **iTCMS** – Intelligent Cost & Transport Management System – This is a home grown transport management system which uses logic of Artificial Intelligence, Machine Learning & Genetic Algorithm based on Darwin's theory of “Survival of the Fittest”. This solution reduces manual labour in transport contract management, vehicle planning & scheduling, route planning & vehicle tracking. iTCMS ensures HSW compliance for Commercial vehicles. All commercial vehicles used for Secondary, Primary Transportation are inspected through iTCMS for vehicle compliance. Daily Trips are being monitored through iTCMS for

Journey compliance which has helped us to reduce the overall Road violation from 2% (March'21) to 0.3% (March'22) iTCMS has been awarded as a GOLD Award (Winner) under category "Industry 4.0 and Analytics" in the SCMHRD – Corporate Excellence Awards'22.

- Automation towards "Green Initiative"** – In the past Commercial rate approvals were done manually. Clusters team would courier the physical papers for signatures or mail scanned copies which in turn had to be printed out and then physically signed. With this module now on an average annually 6500+ NFAs are being approved online which leads to a savings of 32,500 A4 sheets, which is equivalent to savings of almost 250 kg wood. Also previously, commercial processes would be printed on paper and then physical processes would need to be obtained and printed. Now, process creation, approval and distribution of Commercial processes are done online, thereby reducing the need for paper prints. On an average this leads to a one time saving of 500 A4 sheets, which is equivalent to ~ 4.5 kg of wood. Online updation and revision of the processes help to save even more paper.

- For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional). (i) Reduction during sourcing/ production/ distribution achieved since previous year throughout the value chain; (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year:**

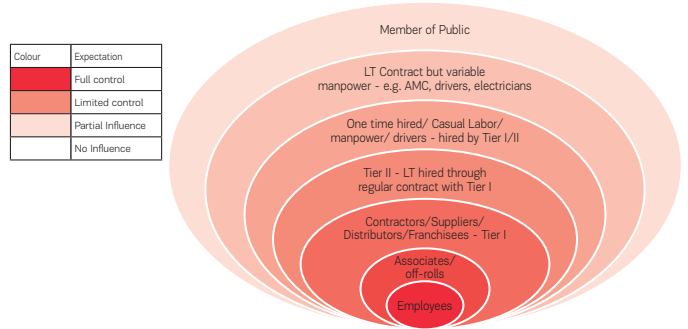
**Ans: Introduction of a Scrap Management Online Module** - This initiative has led to a savings of approximately 7,000 A4 sheets which is equivalent to almost 50 kg wood.

**Automation towards "Green Initiative"** – This initiative has led to a savings of approximately 33,000 A4 sheets which is equivalent to almost 255 kg of wood.

- Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

**Ans:** Vodafone Idea firmly believes that sustainable development cannot be achieved with mere focus within own boundary of business practices. The Company has forged meaningful and impactful partnerships with its

vendors and partners to mandate Health, Safety and Well Being (HSW) across their organizations as well. The HSW circle defines the level of influence and related HSW controls across the different layers of the supply chain of VIL.



HSW is also embedded into Company's supply chain management system –

- Suppliers are screened on the basis of HSW criteria before selection for doing any high risk work as elucidated above;
- Mandatory Health & Safety conditions are incorporated into every contract and signed off by high risk suppliers; and
- A Health and Safety Plan is submitted by the suppliers at the time of agreement and monitored for compliance during the entire tenure of the agreement through monthly reviews. High Risk supplier meets were conducted across all clusters covering total 3,479 numbers of suppliers.

Focus on supply chain also involved HSW integration into logistics management:

- All warehouse premises were inspected for compliance to VIL set standards and corrective actions were taken;
- Personnel working in warehouses were imparted job specific trainings in terms of fire safety, material handling, driving of material handling equipment e.g. fork lift trucks, stackers etc;
- During the Pandemic (COVID-19), SOP on Safe working was shared with all commercial team members;
- To reduce the spread of the Pandemic in the commercial warehouses, "VI Care" was launched. This helped in creating awareness on benefits of Vaccination and all the 3 PL staff and Drivers were encouraged to get vaccinated. Within six months of vaccination launched 100% of the commercial team, 3 PL team and Commercial Drivers have completed both the vaccination;

- The various HSW initiatives taken during different stages of Pandemic i.e Trainings on Safe working during COVID-19, Safety & COVID-19 Precautions in WH, Nirantar, COVID-19 Vaccination drive for 3 PL workers, drivers and families has obtain an award within the Convergence Forum "FinTech India Innovation Awards (FIIA) 2022" under the category of "Excellence in Pandemic Response";
- Virtual Trainings and audits were conducted within warehouses;
- Every inbound and outbound vehicles were inspected at the warehouses as per Vodafone Idea standard checklist in the iTCMS;
- Drivers with driving license registered on Government portal (M-Parivahan) were only authorized to drive commercial vehicles for Vodafone Idea thus ensuring trained drivers for the task;
- Furthermore before embarking on journey, all material transportation drivers for both inbound and outbound vehicles were trained on principles of defensive driving at the warehouses using VIL defined standard module. During the year approx. 10,000 drivers were trained across all warehouses;
- Every journey undertaken exclusively for Vodafone Idea business purpose are managed for HSW controls. Vodafone Idea developed and implemented a software for automation of transportation operations at all warehouses. This software enables warehouse teams by proposing the shortest and economical route for transportation, consolidation of multiple trip to single destination trip and monitoring of volumetric efficiency. In order to monitor drivers' behaviour during the journey, GPS based tracking system in both inbound and outbound vehicles is installed for ensuring safe journey management with real time tracking of vehicles; and

Permit to work is reviewed and approved post commencement of any high risk activity in warehouse.

Agreements signed with channel partners, distributors and retail franchise owners also included clause on financial/welfare compensation for their employees in case of injury, or in case of a fatality, the welfare/ financial compensation of the individuals' family.

#### 4. Has the Company taken any steps to procure goods and services from local and small

**producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

**Ans:** Vodafone Idea has more than 9,749 active vendors through which procurement of various goods and services are being done and more than 99% procurement is being done from local vendors (based out of India). Most procurement activities are carried out at local offices in all states conducting business transactions with local vendors.

#### 5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

**Ans:** At Vodafone Idea, we have a clear directive of taking the material through multiple stages of screening before declaring any material scrap. This screening process focusses on exploring reusability, repairability with local technical vendors and recyclability of the material and looking for possible ways to prevent such scrap generation in future. Once a material is declared scrap, a designate team approves for final disposal. The concerned user function then ensures that the declared scrap is channelized to authorized collection centers or registered dismantler(s) or recycler(s) or is returned to the pick-up or take back services provided by the producers (original manufacturers). In Financial Year 2021-22 total waste disposed of under broad category of 'Hazardous Waste' were 0.25K MT and 'Non-Hazardous Waste' were 2.3K MT. Company deals with govt. certified and authorized recyclers only.

#### Principle 3: Businesses should promote the well-being of all employees

Vodafone Idea with its strong focus on human resources has set in a culture of **Respect, Fairness** and **Trust**. It is our endeavor to create a thriving, engaged, future fit great place to work. Employee well-being is at the core of creating such a culture.

All our policies and interventions are designed to keep these pillars as the bedrock. Speak up, Flexible working hours, Work from Home, POSH, Employee Assistance Program, Reach Home Safe, Extended Maternity Benefits, Employee Social Network Platform (workplace), Employee Engagement Interventions, Regular Leadership Connect Sessions etc. are

some interventions which have helped us to stay connected with employees. At the same time they offer flexibility to the employees to integrate work & life while giving their 100% at work.

In order to create a Company culture with leadership commitment towards gender inclusion, we have also introduced capability enhancement for women, gender sensitization workshops, Employee Assistance Program (EAP), community networking platforms at Workplace, panel discussions of senior Women leaders in Technology. We are focusing on improvisation of gender balance across all levels. At least 50% hiring of women has been ensured while recruiting young and bright talent from campuses. As part of Vi Care, we have partnered with “Your DOST” (EAP) for mental well-being to help address issues pertaining to Pregnancy as well as help them ease into their roles once they re-join the workforce post maternity leave. In this process, the managers are also counselled on how to handle a new mother and make her comfortable in settling her into the new role. Results from the Returning Mother’s survey held in March 2022, suggest that 97% affirmed that Flexi Benefits helped them support child care and career, 94% agreed they did not feel neglected and challenging assignments were given to them and 85% agreed that their manager organized re-orientation to help them settle at work.

Listening is a key aspect of a respectful relationship - when it comes to understanding what we are doing right and what we can do better. We conducted the PULSE survey for all women colleagues in January 2021 with a view to secure feedback on their work-place experience. With 87% participation rate, we received a mean positive score of 94%-96% across most of the themes including Benefits & Work-life, Managerial support & fairness and Respect & camaraderie.

Telecom is about connectivity and to keep people connected, there is someone risking his/her life while climbing a tower, while working on electrical system or while working in the field, driving either a car or a two-wheeler. Basis lineage from both the promoter Groups where people centricity is a way of doing business, unflinching commitment towards Health, Safety and Well-being (HSW) of each and every individual impacted by the organization’s operations was introduced as a core element in VIL Culture of Care. Without confining the sphere of influence of HSW to the boundary of the organization, concept of 1@risk was introduced. VIL is driving HSW agenda to protect almost 150,000 people in its ecosystem from an incident. These people are working for or on behalf of VIL

through channel partners, distributors, vendors, partners or franchisee owners. The Leadership team is committed to “We shall not do business by putting anyone at risk”.

During the year building a positive safety culture in the organization was undertaken and continued like:

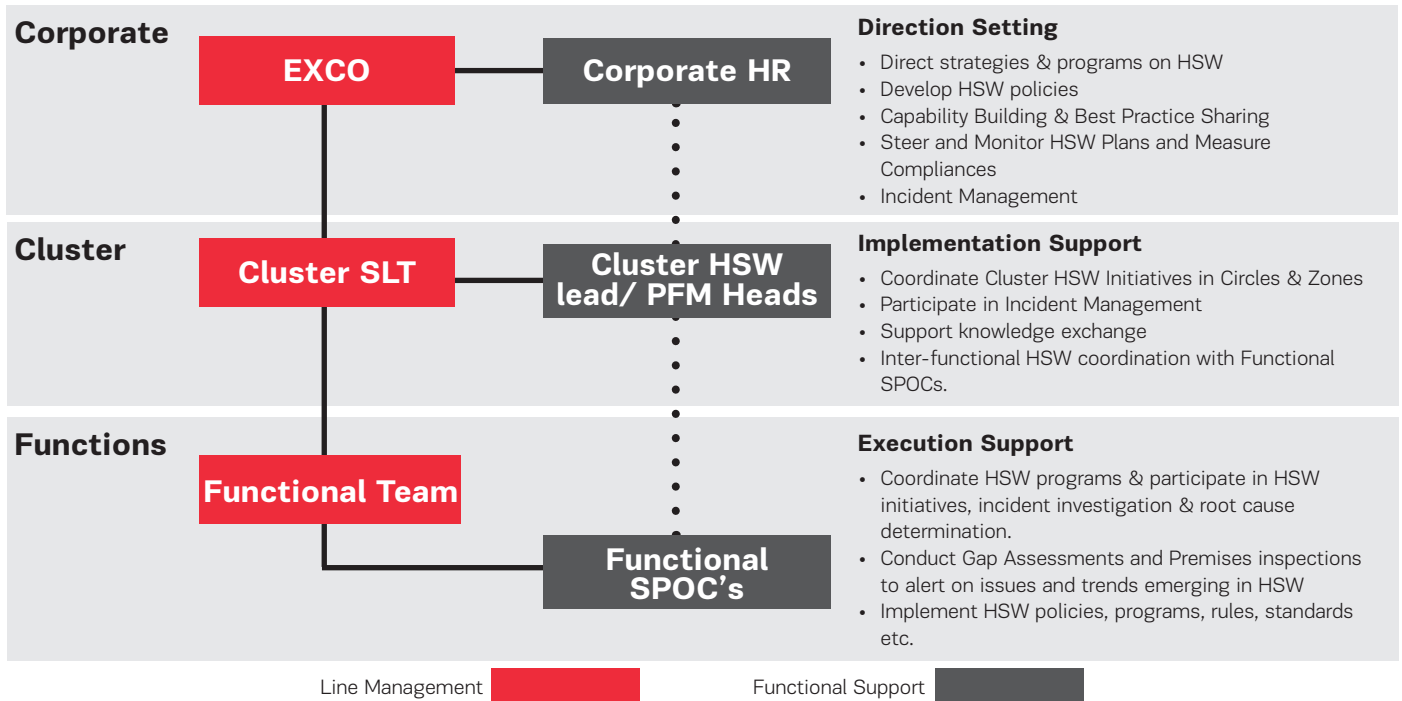
- Building a common culture and framework of care resting upon SMART governance and execution intensity;
- Focused activities to build a safe place to work and safety conscious personnel;
- Engagement with 1@risk to create a culture of safe ways of working;
- Visible felt leadership program for top line leaders of clusters;
- Capability building program for HSW SPOCs;
- Engagement with contractors; and
- Risk Based Approach for smooth execution of work.

A three pronged approach was formulated for integrating HSW into business across all functions in terms of People, Processes and Properties (Equipments and Facilities). Vodafone Idea takes into account the safety of each and every equipment and premise during both design as well as operations/maintenance phase. The safety of premises were monitored through Planned General Inspections and corrective action thereafter.

The foundation of Vodafone Idea, HSW framework laid down during the previous years through the establishment of HSW Policy, set the expectation for all that working safely is a condition of employment and that all employees including line managers shall be responsible for effective implementation of the HSW systems & processes. The foundation was further strengthened through the pillars of nine Absolute Safety Rules, addressing the high risks owing to operations (viz. work at height, electrical work, underground operations, lifting operations, two wheeler riding and four wheeler driving) and made non-negotiable for all 1@risk.

In Financial Year 2021-22, 5 precious lives were saved owing to adherence to Absolute Safety Rules. Adherence to high risk standards (Work at Height, Electrical Safety, Road Safety, Street/Underground Work, Lifting Operations & Incident Management) was ensured through various interventions which has resulted in 50% reduction in overall injury count, 50% reduction in major incident count and 75% reduction in minor injuries over previous financial year.

The following framework of governance was established with continuous focus on review and improvement:



Apart from Corporate Initiatives, Cluster and Zonal Teams are also driving initiatives for strengthening HSW Culture and ensuring physical, emotional, financial, digital and social well-being of employees to ensure a productive and efficient work force.

The organization established and fostered a belief in zero tolerance for non-compliance - a stringent consequence management program is established to investigate every incident or violation related to breach of Absolute Safety Rules. The findings of such investigations are transparently communicated so that all can learn and improve further. When required, VIL does not hesitate to even part ways with employees, channel partners, or suppliers if they violate the Absolute Safety Rules, irrespective of their seniority or importance. During the year, 3 Contractors were terminated owing to violation of one or more of these rules.

Given the nature of VIL business, the geographical span of its operations and the high risk jobs involving electricity, height, street-work/underground work, lifting operation or highway travel during dark hours, VIL made it imperative for all employees and partners to ensure that for undertaking any high risk job, the right controls are in place in terms of people, property and process. With this objective, permit to work for aforementioned high risk jobs, was mandated for all VIL employees, employees of vendors, contractors and sub-contractors working for or on behalf of the organization. Additionally, the assurance was further monitored through

live audits by corporate HSW team and cluster HSW SPOCs, Vertical Heads (through physical visits, pictorial evidence or video calls).

For demonstrating senior management commitment and for reinforcing positive safety culture across VIL family, following actions were completed:

- 650 senior management tours wherein leadership teams had an engagement with field teams to appreciate their good work and understand their concerns;
- Safety Council meetings every month presided by Business Heads to monitor the progress of HSW KPIs; and
- Senior management also drive HSW agenda through each functional safety council meeting and during monthly meetings.

#### Training & Engagements

- 100% FTEs and Associates have undergone refresher training on 9 Absolute Rules;
- 100% Salesforce have undergone Expect the Unexpected Training;
- HSW training on seasonal risks have been imparted to all the field force;
- 100% partner O&M riggers have undergone W@H Training;

- 100% partner Drivers have undergone Safe Driving Practices Training;
- Skill Development trainings to cluster function SPOCs for HSW governance;
- “Project Nirantar”, one of our flagship projects for educating our stakeholders on HSW aspects in day to day operations have received an external award on “Voice and Data” platform;
- Behavior based trainings for building positive safety culture to the cluster team;
- Various awareness campaigns during the pandemic was initiated to provide support to the team for their health and wellness. 100 SMS campaign reinforcing the importance of Social Distancing, Mask, Sanitizer (SMS) was conducted for all clusters to increase awareness and adherence to COVID-19 precautions among 1@ risk team working on field and offices; and
- Virtual Engagement with cluster field /Retail Store team by Corporate HSW Team on COVID-19 protocol.

In continuation to above initiatives, Reward & Recognition program are also in place. Some examples are provided below:

On spot recognition of positive safety behavior of 1@risk through issue of ‘Thank You Card’ by Cluster Leadership Team during their regular engagements.

Aligned with the organizational goal of digitization, for digitizing HSW governance mSafe, (a mobile application) was used for governance and monitoring of all 1@risk individuals both on-roll employees as well as off-rolls. This application acts as the central repository of data. Furthermore, an android mobile based automation tool called Cell-site Inspection Automation Tool (CIAT) was continued for governance and recording planned inspection & issuance of permit to work in electronic form and enabling Pan-India coverage.

During the year, 3 precious lives were lost in an unfortunate incident – Two of these were fell from height and one was due to road accident involving a contract worker deployed by Vendor Partner (TCTS). The incidents were investigated in detail, root-causes were identified in terms of lapse in management controls and nation-wide targeted action plans were implemented and monitored for closure.

Vodafone Idea management framework for HSW is subject to proactive scheduled review as well as reactive review basis reassessed risk in order to ensure its long term success and sustenance. In order to gauge the status of HSW implementation against Vodafone Idea Standards, check on-ground compliance with respect to people, process and

premises and to provide support to clusters, Corporate HSW team continued to undertake surprise virtual visits through virtual platforms to various zonal locations and engage with partners and their employees. Some of the standard tool-kits that were introduced during the year as a part of the HSW governance architecture, included:

- Monthly HSW Function-wise cluster dashboard with monitoring of key performance indicators (both leading as well as lagging);
- Monthly HSW Review meetings at Cluster through identified safety councils; and
- Monthly Function Safety Council meeting in clusters. Monthly reviews at Corporate through Advisory Committee formed (with representation from Clusters and Corporate).

### **SEBI – BRR Questionnaire Responses for Principle 3:**

#### **1. Please indicate the total number of employees:**

**Ans:** The Company has 8,760 regular employees as on March 31, 2022.

#### **2. Please indicate the total number of employees hired on temporary/contractual/casual basis:**

**Ans:** The Company has 1,771 employees on temporary/contractual/casual basis as on March 31, 2022.

#### **3. Please indicate the number of permanent women employees:**

**Ans:** The Company has 1,408 permanent women employees as on March 31, 2022.

#### **4. Please indicate the number of permanent employees with disabilities**

**Ans:** Five permanent employees with some physical disability are employed by the Company.

#### **5. Do you have an employee association that is recognized by management?**

**Ans:** The Company has no employee association.

#### **6. What percentage of your permanent employees is members of this recognized employee association?**

**Ans:** The Company has no employee association.

#### **7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

**Ans:** During the Financial Year 2021-22, 5 complaints pertaining to sexual harassment were received and as on March 31, 2022 with 3 having been resolved and remaining two under investigation. In all the cases, appropriate action has been taken and there is no pending case as of now. There have been no cases reported relating to child labour, forced labour and involuntary labour.

**8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year? - Permanent Employees, Permanent Women Employees, Casual/Temporary/Contractual Employees, Employees with Disabilities.**

**Ans:** The Financial Year 2021-22 has been the year of continuing Pandemic. We adapted to the new online and hybrid ways of learning and building capabilities.

Total Training Hours through Digital mode of training has been 113,776 hours for Financial Year 2021-22 covering 99% of employees.

GVC Learning App was launched in August – September 2021:

- o 96% downloads, 59% unique learners by December 2021, 89% unique learners by March 2022
- o 1500 employees with 100% completion of learning recommendations:
  - CXX – 44% completion
  - Design – 43% completion
  - Digital – 34% completion
  - Data – 34% completion

VILT (Flagship / Signature / Functional / Cluster) covering 6223 – 65% employees.

Created and mentored the project teams to collaboratively develop the content and do the TTT for clusters:

1. Team Effectiveness for M3
2. Influencing Skills
3. Power of Appreciation
4. Resilience
5. Get Results
6. CXX Version 2.0
7. UDAAN – VILT Signature Journey conceptualized, mentored the project team to get the program created and delivered as national initiative.

**Gyanodaya Programs for Leadership Development and Functional Expertise:**

- Gyanodaya participation
  - o 124 unique learners participation in 11 programs with 353 sessions
  - o Mentoring Initiative for 30 M5 & M4 mentors and VILP mentees
  - o ICF Coaching Initiative for 6 M5 & M4 Leaders

**Gyanodaya Programs (Financial Year 2021-22) Unique Learners**

ABG Coaches Confluence	5
Agile Project Management	2
Alumni Connect Webinars	3
Coaching for Cultural Transformation	6
Leading as a Mentor	28
Managing Tough Times with Mindfulness	9
Springboard IV - Accelerated Women's Development Program	11
Turning Point Batch 4	16
VILT - Forensics & Incident Response	4
VILT - Fundamentals of API Management	9
VILT - Fundamentals of Cloud Computing	31
Grand Total	124

In order to build capacity for positive safety leadership and ownership across functions and each layer of Vodafone Idea family, safety leadership trainings were undertaken by Corporate HSW for all Functional Heads and Vertical Heads at Clusters including Business Heads, Zonal Heads and HSW Champions. Furthermore,

- Based on exposure to job specific risks, standard training programmes, some in-house and some driven through external agencies, were introduced and trainings imparted. Electrical – around 1,229 technicians; Work at height – around 6,269 climbers; Road Safety - around 15,516 two wheeler riders, around 518 full time employees driving four wheelers, around 805 professional drivers trained on Defensive Driving.
- Every 1@risk individual is on-boarded on basic aspects of HSW using standard modules defined by Corporate HSW. More than 26,110 1@risk individuals were inducted through this basic onboarding programme.



**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

Vodafone Idea actively contributes to the social and economic development of the communities in which it operates to help in building a better, sustainable way of life, especially for the weaker sections of society. The Company recognizes the critical role played by internal (employees) and external (adjudicators, courts, licensors, industry associations, regulators, network operators and subscribers) stakeholders in its sustainability agenda, and strives to align its social, environment and economic performance with stakeholder needs and expectations.

Vodafone Idea is an equal opportunity employer and currently employs 55 differently abled people at its call centers. The Company is focused on expanding its services towards all stakeholders & promotes schemes such as basic data packs starting at ₹ 19/- and top-up of ₹ 10/- with service validity recharges in order to provide affordable access to communication to the economically disadvantaged population. Vodafone Idea is also competitively placed in pricing of unlimited products providing value to subscribers using unlimited packs.

Vodafone Idea has set-up its distribution network to cater to customers with its vast variety of services. As of March 31, 2022 there are 2,650+ branded stores and 9.6 Lakh retail touch points to service customers.

In order to cater to remote communities, Vodafone Idea organizes camps in rural areas for customers there to easily access its service. The Company has also set-up call centers in Tier 2 and Tier 3 cities so as to reach out to the rural customers. Approximately 48% of the call center agents are female as part of gender equality vision.

The Company also provides Interactive Voice Response (IVR) in 15 languages so that customers are able to understand and avail services.

Vodafone Idea has launched technology led initiatives aimed at improving information access and quality of life for non-urban communities across the country by leveraging the technology in several domains - education, agriculture, financial literacy and livelihood generation. Details of such initiatives are provided under Principle 8 of this BRR.

**SEBI – BRR Questionnaire Responses for Principle 4:**

**1. Has the Company mapped its internal and external stakeholders?**

**Ans:** Yes, Vodafone Idea has mapped its key internal and external stakeholders, which include employees, licensors, industry associations, regulators, network operators and subscribers.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

**Ans:** Vodafone Idea is a Pan-India integrated GSM operator offering 2G, 3G and 4G services, and has achieved deep rural penetration. The Company has enhanced network reach and covers 487,000 towns and villages. Vodafone Idea has around 2,650+ branded stores and over 9.6 Lakh retail touchpoints to service customers.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

**Ans:** Vodafone Idea recognizes its responsibility for the rural and the economically challenged population of the country and has generated local employment and deployed various rural-focused mobile solutions. The Company has specific projects in the domains of education, financial literacy, sustainable livelihood, agriculture etc. Company has leveraged the power of technology to promote digital education, financial literacy, enhancing sustainable livelihood opportunities, promoting IOT based farming practices to improve the socio-economic condition of the farmers and land productivity.

**Principle 5: Businesses should respect and promote human rights:**

Vodafone Idea sincerely supports a culture of respect and promotes human rights. The Company is of the firm belief that every employee should be able to live with social and economic dignity and with freedom, irrespective of his nationality, gender or religion. The Company complies with all applicable local, state and national laws regarding human rights and worker's rights wherever it does business.

Vodafone Idea has adopted a Human Rights Policy that reflects respect for human rights and is free from all discrimination and harassment. Reinforcing its dedication to human rights issues, Vodafone Idea has adopted a Human Rights Policy that outlines the Company's commitment to developing a culture of respect and support for human rights – including diversity in workplace, provision of secure environment for all personnel, pro-active communications, and contribution

to socio-economic development of communities where the Company operates.

The Company believes in positively influencing the protection of human rights within its sphere of influence. It encourages and supports its key suppliers and vendors to uphold and create awareness about human rights in their operations.

The Company's key vendor contracts mandate including clauses against use of forced and child labour, worker safety and hygiene and the absence of abuse and intimidation etc.

### **SEBI – BRR Questionnaire Responses for Principle 5:**

#### **1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

**Ans:** The Company's Human Rights Policy is applicable to all employees of VIL and its subsidiaries and suppliers.

#### **2. How many stakeholder complaints have been received in the previous financial year and what percent was satisfactorily resolved by the management?**

**Ans:** No complaints related to human rights were received in the previous financial year.

### **Principle 6: Business should respect, protect, and make efforts to restore the environment.**

As the global telecom industry grows increasingly cognizant of the fact that it needs to lighten its carbon footprint, Vodafone Idea is one of the leaders in the search for green energy options in India. Efficient power management, infrastructure sharing, use of eco-friendly renewable energy sources, leveraging the latest technology to reach out to a large audience in the most energy efficient manner such as video and teleconferencing, smart logistics, etc. are some of the best practices in Vodafone Idea's network infrastructure and day-to-day business operations. The primary focus of the energy conservation drive has been on reducing energy cost and minimizing environmental impact of the Company's operations. The Company constantly suggests its vendors to focus on highest energy efficient category equipment. Based on this principle, 100% of all new telecom hardware procurement in Financial Year 2021-22 comprise of low power consuming telecom hardware. At the same time, modernizing of old equipment into new and energy efficient telecom hardware continues to be a key focus.

In Financial Year 2021-22, Vodafone Idea continued to adopt environmentally sustainable practices in our transactions with the same foundational objectives laid down as part of Green Idea as well as VIL's Energy and Carbon Management Policy:

- Consider Energy Performance when operating VIL's infrastructure;
- Continue with the procurement of most energy efficient Telecom Hardware; and
- Encourage Infrastructure Provider partners to adopt low carbon operations.

The track record of Financial Year 2021-22 stands as below:

- Over 75% of Vodafone Idea's BTS portfolio – Outdoor BTS (25% reduction in Energy consumption compared to Indoor BTS);
- Diesel elimination project initiated by VIL to reduce carbon footprint continued at over 16,000 sites for Financial Year 2021-22;
- Power saving features implemented to reduce energy consumption;
- 100% of the telecom hardware procurement comprise of low power consuming telecom hardware; and
- RET based generation through PPAs, against Vodafone Idea's consumption where feasible.

Following initiatives undertaken by the Company in the past continued to run smoothly delivering the intended objectives to utilize alternate sources of energy:

- **Exclusive Solar solutions at over 2400 sites**
- **Off-Site Renewable Energy (RE) Deployment:** This concept was initiated in past years based on Carbon abatement principle. In Financial Year 2021-22 we have the following renewable PPA:
  - 3 MW Solar PPA in Andhra Pradesh;
  - 1.3 MW Wind PPA in Karnataka;
  - Tamil Nadu (including Chennai) –
    - o We are one of the parties utilizing the 8.6 MW Wind PPA and 2.75 MW Solar PPA.
    - o In addition there is dedicated 0.6 MW Wind PPA.
    - o Moreover there is a dedicated 5.3 MW Solar PPA.
  - 2.5 MW Solar/Wind PPAs in Maharashtra Circle;
  - 1 MW Solar PPA in Madhya Pradesh; and
  - In addition we also have 2 Hydro PPA of 0.5 and 0.6 MW Hydro for Delhi.

**SEBI – BRR Questionnaire Responses for Principle 6:****1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ others?**

**Ans:** The Energy and Carbon Policy of VIL extends to all its subsidiary companies and joint ventures with an interest of 51% or more or management control.

**2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

**Ans:** Vodafone Idea is continuing its sustainability journey with special focus on energy efficiency and emission reduction. This ultimately furthers the Company's commitment to addressing global environmental issues such as climate change and global warming. The emission levels of the Network is base lined as of Financial Year 2012-13 and being tracked annually as per DoT guidelines. Under this initiative, more than 2,400 telecom sites are operational with solar hybrid energy solutions. More Examples of key initiatives are described under Principle 2, 6 and 8 in this section of the Business Responsibility Report.

**3. Does the Company identify and assess potential environmental risks? Y/N**

**Ans:** Vodafone Idea has always been sensitive to the environmental impact of Telecom Network operations and has proactively adopted environmental sustainable practices whenever such opportunities were/are available:

- Renewable Energy PPA;
- Using Renewable Energy Technologies (RET) for powering towers during grid failure;
- Reduce diesel consumption at telecom sites;
- Using energy efficient hardware; and
- Convert Indoor sites to outdoor to reduce air conditioner usage.

In all such cases, Vodafone Idea adopted only commercially viable models which offered business benefits to all stakeholders involved. Reduction in CO<sub>2</sub> emission and reduction in operating costs were the driving forces in all its initiatives.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

**Ans:** Vodafone Idea does not have any project related to Clean Development Mechanism.

**5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

**Ans:** Apart from installation of energy efficient hardware, Vodafone Idea through Infrastructure providers has adopted low carbon technologies including solar hybrid sites, outdoor sites and Renewable PPA. Details of these initiatives are provided above.

**6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?**

**Ans:** Vodafone Idea gives greatest importance to the issue of GHG emissions and waste generated from its operations and follows all pertinent Govt. guidelines to be environment friendly. EMF radiation, and its commitment in this regard is evident from the Company's stringent monitoring systems and financial investment in emissions testing equipment. All of the Company's network sites are in compliance with the relevant radiation limits prescribed by the regulatory agency.

**7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

**Ans:** None

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

As one of the leading mobile operators in the country, Vodafone Idea advocates policies that can spur socio-economic growth as well as the growth of the telecom sector, promoting development, inclusive growth and access to information through programs such as Digital India. Vodafone Idea is an active player in the following national and international industry associations (either directly or through its subsidiaries):

1. The Associated Chambers of Commerce and Industry of India (ASSOCHAM);
2. Federation of Indian Chambers of Commerce and Industry (FICCI);
3. Confederation of Indian Industry (CII);
4. Cellular Operators Association of India (COAI);
5. GSM Association (GSMA);
6. European Business Group (EBG);
7. UK India Business Council (UKIBC);
8. British Business Group (BBG);
9. Telecom Sector Skill Council of India;
10. Telecom Export Promotion Council (TEPC);
11. Telecommunications Standards Development Society, India (TSDSI); and
12. Communications, Multimedia and Infrastructure Association of India (CMAI).

Through its association with the above bodies, Vodafone Idea actively participates in discussions relating to policy development on several issues pertaining to the telecom industry, including restoration of financial health of the sector, creation of a sustainable investment climate, development of a world class communications infrastructure, ease of doing business, Right of Way (RoW) policies & processes, promoting broadband and Data Economy, enabling the evolution and development of emerging technologies such as 5G, IOT/M2M, Data Analytics, Artificial intelligence, etc. framework for privacy and data protection, network security, and the public protection and disaster management policies/networks.

Vodafone Idea is represented on various industry as Chair of the Assocham National Council on Digital Communications, Co-Chair of the FICCI Communication and Digital Economy Committee, Co-Chair of the Sub-Committee on **Accelerating Impact of Policies**, CII, and a member of the GSMA Public Policy Group. Through its active participation in various industry bodies, Vodafone Idea advocates on various telecom industry issues as also attempts to drive a consensus driven approach to further the Government's vision of a Digital India. The Company through the Chief Regulatory and Corporate Affairs Officer is on the governing body of Telecom Sector Skill Council.

The Company is also involved in the activities of TSDSI, which is a not for profit legal entity in a PPP mode with participation from stakeholders including Governments, service providers, vendors, manufacturers, academic institutes and research laboratories.

Vodafone Idea is a key member of the COAI. Its senior executives are Chair/ Co-chair of various Committees of the industry body. Vodafone Idea is also associated with the GSMA and works closely with the association on various industry programs such as making India 5G ready, M2M and standards for E-SIM, spectrum related issues such as identification of globally harmonized bands for IMT, reasonable approach to spectrum pricing, etc.

#### **SEBI – BRR Questionnaire Responses for Principle 7:**

##### **1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.**

**Ans:** Yes. Vodafone Idea is a member of several key Indian and global industry associations. Some of these are (as mentioned in the paragraph above):

1. Cellular Operators Association of India (COAI);
2. The Associated Chambers of Commerce and Industry of India (ASSOCHAM);
3. Federation of Indian Chambers of Commerce and Industry (FICCI);
4. Confederation of Indian Industry (CII);
5. GSM Association (GSMA);
6. European Business Group (EBG);
7. UK India Business Council (UKIBC);
8. British Business Group (BBG);
9. Telecom Sector Skill Council of India;
10. Telecom Export Promotion Council (TEPC);
11. Telecommunications Standards Development Society, India (TSDSI); and
12. Communications, Multimedia and Infrastructure Association of India (CMAI).

##### **2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others.**

**Ans:** Vodafone Idea is a core member of the COAI. The industry body is the lead interlocutor between the policymaker (DoT), the Regulator (TRAI), and the eco-system at large. The association has been involved in facilitating a smooth and productive dialogue with the

Government on behalf of the operators in the country, on various public policy matters such as restoration of financial health of the sector, seeking reduction in regulatory levies, GST related issues, spectrum related matters including importance of reasonable prices and liberal payment terms for 5G spectrum, streamlining of various processes and making them online, aligning State right of way policies and charges with Central ROW Rules 2016 and automating processes, participating in consultation processes on auction of 5G spectrum, simplifying and digitizing various processes for ease of doing business, licensing frameworks for satellite connectivity & earth stations, use of street furniture for small cells and aerial fiber deployment, promoting broadband and data economy, tariffs, inter-connection, privacy and data protection bill, non-personal data framework, implementation of new Intermediary Rules, etc.

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### **Principle 8: Businesses should support inclusive growth and equitable development**

Inclusive growth and equitable development is core to the Company's ethos. One of the Company's mission pertains to Community – Be the most respected Company by leveraging technology and purposeful innovation to catalyze social prosperity, digital literacy and inclusivity.

Moreover, Company's roadmap for Social Inclusion and Equitable Development aims at ensuring maximum people are included and empowered by connecting them to sustainable economic growth. This objective is guided by its four Social Pillars:

1. Bridging Digital Divide and Bringing all underprivileged into digital Presence;
2. Ensuring Inclusion at work;
3. Creating opportunity for marginalized section of the society and integrating them to mainstream of the society; and
4. Community development and nation building through sustainable development.

Vodafone Idea's objective and contribution towards achieving inclusive growth and equitable development are accomplished by:

- Reaching to unreached people through robust network and far reaching distribution – Vodafone Idea is a fully integrated telecom services provider offering its over 225.9 Mn (on VLR as of February 2022)

mobile subscribers a choice of national, international and internet services. The Company's services are available in over 4,87,000 remote towns and villages across India.

- At Vodafone Idea, we realize that Diversity and Inclusion at the workplace helps foster an open and healthy work environment and is critical to our business strategy. We believe women at various management levels bring plurality, diverse thinking, varied leadership styles and values. To build a diverse internal team, we need to focus on creating a supportive eco-system to hire, engage and retain women talent. We are enabling women in the workforce by taking care of their professional and personal needs depending on their life stage. Hence we have introduced new policies like maternity policy, travel policy, reach home support, flexible hours and remote location etc. Each of which offers more flexibility and comfort to shoulder these life stage demands and be effective at work.

Enhancing women proportion in the organization continues to be our focus area. In order to create a Company culture with leadership commitment towards gender inclusion, we have also introduced capability enhancement for women, gender sensitization workshops and employee assistance program.

- Consistently innovating new business models like mobile money, which are focused intervention for overcoming the sustainability barriers.

### **SEBI – BRR Questionnaire Responses for Principle 8:**

#### **1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

**Ans:** Yes. The CSR initiatives of Vodafone Idea provided all necessary support to people during this difficult Pandemic period. The project activities kept on-going using the Technology platforms that have been developed during the course of the project and provided support to COVID-19 affected families by distributing dry ration kits, scholarship to students of affected families. Company also provided facilitation support in getting 10 Lakh people vaccinated.

The focus of projects included promoting and development of (a) education, (b) financial literacy, (c) empowerment of women, (d) agriculture & livelihood, (e) eradication of poverty. During the year around 44 Lakh people and 16 Lakh students (indirect) were benefitted

across 33 States through multiple initiatives undertaken. Brief of the projects undertaken during the year is as below:

- **Jigyasa – Building knowledge for life** – It is a flagship programme in education – Jigyasa – aims to build knowledge for life and addresses some of the most pressing concerns faced by education sector in India by building the capacity of teachers, introducing digital content in the classroom to make learning and teaching more enjoyable, and also augment the existing digital infrastructure as needed.

The project has positively impacted thousands of teachers and students across five states in North India. As digital teaching increased due to COVID-19 and lockdowns, teachers needed to learn digital tools and skills and create impactful and creative content. Jigyasa training and exposure to digital platforms such as Gurushala bridged that gap and increased learning outcomes.

The project has benefitted around 1.5 Lakh teachers across partner schools and 50 Lakh students (indirectly). Our initiative has not only empowered teachers to teach better but also helped in developing a joyful learning environment in schools. Learning outcomes of students have also significantly improved as a result of our training, simple and easy to find content in local languages and deeper understanding of digital tools.

The programme also addresses a fundamental issue in education eco-system – discovering scholarships, for which, we have developed a scholarship discovery and assistance platform [www.learningwithvodafoneidea.in](http://www.learningwithvodafoneidea.in). More than 1.5 Lac students have registered on our scholarship portal and more than 10,000 students have received a scholarship through our efforts.

As lockdowns continued and schools remained shut, several of our teachers started Mohalla Paathshallas where teachers and volunteers taught students using Gurushala content at community level. This turned out to be a boon for students as they could continue their education while being safe from the pandemic.

Additionally, as our teachers and their wards faced hardships, Vodafone Idea Foundation provided dry rations for a year to 500 of our beneficiary teachers.

As part of KPMG's Impact Assessment of Jigyasa, a numeracy test (essential addition, subtraction, multiplication etc.) was conducted amongst our student beneficiaries. It was found that more than 97% of

students scored well in the numeracy test. This figure is two to four times higher than findings from the Annual State of Education Report 2018 across various classes.

- **Jaadu Ginni Ka**

Using the power of mobile technology, Vodafone Foundations' flagship programme on financial literacy - Jaadu Ginni Ka, aims to create awareness amongst youth, urban poor, farmers, artisans, rural women, micro-entrepreneurs, students (15 years and above) on the basic tenets of financial planning/management and on several government schemes.

To make the people aware with the basic aspects of day to day financial things and 29 customized vans in association with CSC academy were started under its Gali-Gali Gaon-Gaon component. Our association with CSC has been extremely vital as it has enabled us to bring financial and digital literacy to the doorsteps of underserved community members through customized outreach vans in 45 districts across the country.

More than 9 Lakh people – almost half of them women – were trained in financial literacy last year.

Jaadu Ginni Ka has resulted in beneficiaries making informed choices and more prudent financial behaviour. Some key findings from the impact assessment conducted by NABCONs are as follows:

- 99.04% of people have found the knowledge shared by the JGK trainers to be useful;
- 99% of the beneficiaries indicated that they were able to manage their finances by regularly saving from their income efficiently; and
- Post-training, there is an increase of 29% in the number of people managing their savings by depositing in saving account of a bank or post office.

- **Connecting for Good**

Vodafone Idea Foundation's Connecting for Good programme aims to foster an eco-system for promoting use of technology in addressing social challenges and empower NGOs to drive innovation, disseminate knowledge and upscale their interventions for greater impact through two distinct areas:

Social App Hub and Solution for Good.

- **Social App Hub**, is a crowdsourcing platform, curating mobile solutions with social impact. Social App Hub features over 800 Apps and offers a plethora of knowledge.

- **Solution for Good** focuses on building innovative technology solutions that addresses the social challenges and have large scale replicability. Some of the solutions developed so far are:
- Girl Rising – a mobile game that helps in breaking gender stereotypes;
- MyAmbar – a safety and well-being toolkit for women in distress;
- The ManagR – a programme and financial management tool for NGOs;
- DigiSakshar – on-demand digital literacy platform;
- ChildLine CRS – a mobile-friendly case reporting system for children in distress; and
- Share Food Share Joy – a food donation solution for NGOs.

The project continues to help civil society organizations increase the impact of their work as they leverage technology innovatively. This year our solutions have received more than 2 Lakh downloads and are being used extensively by these organizations and socially conscious users.

- **Vi Scholarships**

Vodafone Idea Scholarships aims to provide financial support to deserving students and acknowledge outstanding teachers for their academic endeavours.

Leveraging our scholarship portal – [www.learningwithvodafoneidea.in](http://www.learningwithvodafoneidea.in), Vi Scholarships have helped thousands of teachers and students continue their education as despite challenging circumstances created by the Pandemic.

Last year, we supported 100 teachers and 1500 students and provided them much needed support which they used to pay for their school fees, procure essential digital equipment and books as needed. Additionally, for wards of our beneficiaries who had lost one or both of their parents due to COVID-19, we initiated a special scholarship in which we are providing them ₹ 30,000 over two years.

Apart from above mentioned facilitating Student through scholarship platform, this year we have started Vi Scholarships, a special scholarship programme was also launched for students impacted by COVID-19. 500 children received scholarships to continue their education.

- **Digital Village - Empowering Communities – RSV:**

The project aims to create rural micro entrepreneurs by leveraging the strength of technology and support to rural women in setting up local supply chain system right from procurement of raw produce to finishing and selling of these products by local rural women (RUDI Bens). During the year 4000+ RUDI Bens from Uttar Pradesh, Madhya Pradesh and Rajasthan and 4300+ RUDI Bens from Gujarat of previous years were supported under the project. They have been trained on setting up processing centers, use of RSV mobile application to sell agro food products and managing end to end activities. These rural women are managing and running the processing centers which have helped them in improving their socio-economic condition, bringing them in digital literate fold. The project helped the people in getting their daily use household products at their doorstep during the Pandemic period. Additionally under the project dry ration kit were distributed to project beneficiaries who were impacted by COVID-19, skill training were supported to families whose earning member passed away due to COVID-19 and school going children of such families were supported with scholarship so that the children can continue their study.

- **Smart Agri: Leveraging Technology for Self-Subsistence to Enterprise Farming**

The project aims to improve the farm productivity, reduce input cost, enhance income of farmers etc. using IoT Solutions (automated weather station, soil moisture sensors, crop view camera, insect trap etc.) deployed in the farm field. During the year much appreciated project was expanded to Uttar Pradesh and Rajasthan and also continued support to farmers of Maharashtra and Madhya Pradesh. During the year additional 40,000+ farmers alongwith 55000+ farmers of previous year were supported under the project and provided realtime information (farm advisory) related to weather, soil moisture, pest etc. for timely farm inputs. Farmers are also provided regular training and handhold support to apply correct and timely farm inputs. Today more than lacs of farmer are getting timely farm input which has helped them in improving the income and reduction of input cost. The project is one of its kind in agriculture sector domain. The project has been widely acknowledged at different platforms and during the year it has received three coveted awards – British Business Group Award, CII DX Award and ET Telecom Award. Additionally under the project dry ration kit

were distributed to project beneficiaries who were impacted by COVID-19, skill training were supported to families whose earning member passed away due to COVID-19 and school going children of such families were supported with scholarship so that the children can continue their study.

• **Facilitating COVID-19 Vaccination of underserved communities**

As part of Vodafone Idea CSR's COVID-19 response, we partnered with Ministry of IT's Common Service Centre to facilitate registration of 10 Lac underserved communities, disadvantaged groups, senior citizens, slum dwellers, daily wage workers etc. The vaccination drive under this initiative was carried out in 31 States and Union Territories of India with the help of CSC's Village Level Entrepreneurs (VLEs) and leveraged Government of India's COWIN portal. A total of 4023 VLEs spread across 518 districts became part of this mega drive and helped citizens successfully register for COVID-19 vaccination on the platform using CSC mobile application/web portal.

**2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

**Ans:** During the year CSR initiatives were implemented by in-house CSR Team, Vodafone Foundation and also through implementation partners. Our implementation partners were:

- Centre for Knowledge Development, IPE Global;
- Learning Links Foundation;
- NASSCOM Foundation;
- Mahila SEWA Trust;
- Solidaridad Regional Expertise Centre; and
- Common Service Centre.

**3. Have you done any impact assessment of your initiative?**

**Ans:** Yes. KPMG has done the impact assessment of the projects implemented during the Financial Year 2020-21. Some of the major highlights of the impact assessment are mentioned below. Apart from impact assessment, concurrent monitoring of the project takes place during the implementation of the project.

- Jigyasa project: 93% Teachers are using ICT for delivering lessons and 99% teachers reported satisfaction from the training conducted under Jigyasa project.

- Jaadu Ginni Ka: 97% beneficiaries have bank account after training, 71% beneficiaries are using mobile/internet banking and 77% reported improved savings because of project activities.
- Digital Village: Empowering Communities RSV.
  - RSV: 72% beneficiaries reported an enhancement in their business skills such as enhancing the number of customers and sales through faster order and delivery for garnering the trust of customers and also reported improvement in their personality development, communication skills and confidence. 85% beneficiaries reported an increase in their income.

**4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

**Ans:** For the Financial Year 2021-22, Company's CSR spent was around ₹ 229 Mn.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

**Ans:** Yes. The design of our all projects have inbuilt components of sustainability and adoption of the initiative by the community. For example under Jigyasa programme, teachers have started creating their own digital content and using in their teaching. This has helped in ensuring continuation of students' learning during the Pandemic. Similarly, RUDIBens (Rural Micro Women Entrepreneurs) trained and supported under the project are managing and running the processing centers in Gujarat, Uttar Pradesh, Madhya Pradesh and Rajasthan.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

The Company uses the power of technology to enhance the customers' lives – through ubiquitous presence and connectivity through our Pan-India urban and rural coverage. Innovative and truly differentiated offerings reflect the passion with which the Company aims to serve the customers always.

Vodafone Idea keeps Customers at the heart of the business. The Company's focus on Customers is based on its Value Book, which highlights the need for timely response to its internal and external customers; strive to finish before



a deadline and to choose the best rhythm to optimize organizational efficiencies.

The Company strives to be the most loved brand by continuously raising the bar in delivering simple, delightful experience and meaningful innovations, through new age technologies. It constantly endeavors to meet customer needs, adding value and exceeding their expectations.

The Company strongly believes in being ethical about its operations with customers. Hence, it engages with its customers in a transparent manner by displaying all the tariff plans on the web in an unambiguous manner. This information is easily accessible to customers either by telecom circle or by package. Vodafone Idea addresses its customers' need to be constantly updated about their usage through instantaneous pop-up messages informing them about their data consumption and balance left. The Company also installs its network devices in a way that maintains data integrity, confidentiality and availability while preventing unauthorized use of confidential data.

Vodafone Idea always focuses on meeting and exceeding customer needs. Some innovative initiatives in this regard include a quick and easy way of 'Electronic top-up' for recharging accounts, camps in rural areas for providing education on mobile, and provision of customer care services in vernacular languages. The Company has also introduced several Value Added Services (VAS) focusing on education, health and family care for rural population. At urban locations, kiosks are set-up at select Service Centers to create awareness about data (2G, 3G & 4G) services that the Company offers.

In order to service customers better and to bring in stronger governance in Store operations, concept of company owned operated neighborhood stores was introduced. Currently, the Company has around 2,650+ branded stores across the country.

Customer satisfaction is of prime importance to the Company. A customer satisfaction study is conducted regularly in order to track the quality of customer experience with Company's product and services and to benchmark the Company's performance with respect to its competitors.

Vodafone Idea acknowledges the needs of data customers through conducting focused diagnostic study amongst these customers to understand and address their specific network, product, communication and service expectations. Vodafone Idea Loyalty segment customers too are covered through a similar program.

The Company has a feedback mechanism through which it takes feedback from customers on a daily basis through

Touch-point Net Promoter Score (TNPS) wherein, an SMS is sent to customers seeking feedback on the quality of service provided to him after he / she has contacted any of the Company's touch points. This on-going Instant feedback from customers help in improving the Company's processes. After the surveys are completed, the results are presented to the senior management team and detailed action plans are prepared specific to all the concerned functions. The same are tracked at periodic intervals to ensure that the execution meets the planning requirements leading to higher customer satisfaction.

#### **SEBI – BRR Questionnaire Responses for Principle 9:**

##### **1. What percentage of customer complaints/ consumer cases is pending as on the end of Financial Year?**

**Ans:** Out of the total calls received by the Company from customers, approximately 3.80% are related to complaints. 0.35% of the total complaints received during Financial Year 2021-22 were in an open stage as on March 31, 2022. The rest were closed satisfactorily.

##### **2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks**

**Ans:** The Company adheres to all product labeling and product information requirements as per the law of the land. Transparency in tariff through detailed plans being available on the website for consumers and focus on responsible advertising is the hallmark of Vodafone Idea.

##### **3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

**Ans:**

- Cases related to irresponsible advertising: None;
- Cases related to unfair trade practices (Under Consumer Protection Act): 805 cases; and
- Cases related to anti- competitive behavior (Under Competition Act): There is no case pending in relation to anti-competitive behavior as on March 31, 2022.

##### **4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

**Ans:** The Company conducts monthly C-SAT/NPS survey as well as other assessment surveys.

# Independent Auditor's Report

## To the Members of Vodafone Idea Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Vodafone Idea Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 4 to the financial statements, which

describes the Company's financial condition as of March 31, 2022 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 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Material Uncertainty Related to Going Concern' section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue recognition (as described in note 5(a) of the Standalone financial statements)</b>	
<p>For the year ended March 31, 2022, the service revenue recognised was ₹ 382,018 million.</p> <p>Revenue recognition has been identified as a key audit matter due to complexity of systems in recognizing revenues, significance of volumes of data process by system, constantly evolving pricing with discounted tariffs and operation in highly competitive marketplace.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• With the assistance by IT specialists, we obtained an understanding, evaluated the design and tested the operating effectiveness of key IT general and application controls related to revenue recognition processes. We also tested relevant IT infrastructure and applications that result in generation of various IT reports used for billing and revenue recognition process.</li> <li>• We tested the operating effectiveness of IT dependent manual controls, performed data analytics and trend analysis, test of reconciliations between billing systems and other IT systems, prepaid applications and the general ledger. We also performed procedures to test the computation of deferred revenue.</li> <li>• We read and assessed the revenue related accounting policy, critical estimates and assumptions and disclosures in the standalone financial statements.</li> </ul>
<b>Assessment of claims related to regulatory, taxation and legal matters (as described in note 43, 3 and 41(v) of the Standalone financial statements)</b>	
<p>At March 31, 2022 the value of regulatory, tax and legal disputes disclosed as contingent liabilities was ₹ 198,893 million.</p> <p>Pursuant to the Hon'ble Supreme Court judgement, the Company has recorded and carrying liability of ₹ 659,534 million related to AGR matter and ₹ 49,572 million related to one time spectrum charges (OTSC) for more than 6.2 MHz spectrum.</p> <p>Taxation, regulatory and litigation exposures have been identified as a key audit matter due to changing regulatory environment and significant judgement required by management in assessing the exposure of each case.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We obtained summary of all tax, regulatory and litigation including management's assessment.</li> <li>• We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls related to management's risk assessment process for taxation, regulatory and legal matters.</li> <li>• We obtained and read external legal opinions (where considered necessary) and other evidences provided by management to corroborate management's assessment of the regulatory and legal matters.</li> <li>• Engaged tax/regulatory specialists to assess the tax/regulatory positions taken by management with respect to tax/regulatory litigations.</li> <li>• Verified the provisions recorded in the books by the Company including the interest computations based on the demands received by the Company from DoT, internal records of the Company based on the Hon'ble Supreme Court judgement and validated the computations in accordance with licence agreement and Hon'ble Supreme Court judgement for the provisions recorded in the books.</li> <li>• Assessed the relevant accounting policies and disclosures in the standalone financial statements for compliance with the requirements of accounting standards.</li> </ul>
<b>Borrowings, interest and debt covenant testing (as described in note 21 and 25 of the Standalone financial statements)</b>	
<p>At March 31, 2022, current and non-current borrowings including interest accrued and AGR liability was ₹ 1,978,782 million and bank guarantee was ₹ 218,809 million.</p> <p>Annual covenant testing as at March 31, 2022 resulted in certain ratios breaching the specified covenant threshold for loans aggregating ₹ 125,080 million. Accordingly, the Company has classified ₹ 68,131 million from non-current borrowings to current maturities of long-term debt.</p> <p>Borrowings has been identified as a key audit matter due to debt covenant breach, change in credit ratings of the loans and various correspondences received from banks and financial institutions for additional security / increase in interest/commission rate resulting in recognition, presentation and measurement complexities.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We tested the debt covenant ratio specified in the loan agreements and the computation and assessed the classification of the borrowing in financial statement based on the results of such testing and waiver from the bank, if any.</li> <li>• We obtained independent confirmation from the bank with respect to borrowings and non-fund based facilities [including bank guarantees/letter of credit] outstanding as at March 31, 2022 and compared the amounts as per confirmations with the amounts in the books of accounts and tested with the reconciliation provided by the management.</li> <li>• We verified the interest/commission rate used by the Company for computation of interest cost with the loan/bank guarantee agreements and various correspondences received by the Company from respective banks and corresponding increase in rates due to non-remediation of debt covenant and downgrade in credit rating.</li> <li>• We verified the security created against fund and non-fund facilities with the agreements and documents related to charges filed with Register of Companies.</li> <li>• We assessed the borrowing related accounting policy and disclosures in the standalone financial statements for compliance as per Ind AS 107.</li> </ul>

## Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the Performance Highlights, Corporate Governance Report, Directors' Report, Management Discussion and Analysis Report and Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon. The Performance Highlights, Corporate Governance Report, Directors' Report, Management Discussion and Analysis Report and Business Responsibility Report is expected to be made available to us after that date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) The going concern matter described in Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 43 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under
- sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Nilangshu Katriar**

Partner

Membership Number: 58814

UDIN: 22058814AISLTO2797

Place: Mumbai

Date: May 10, 2022

## Annexure 1 to the Independent Auditor's Report

Annexure 1 referred to in paragraph under the heading of 'Report on other Legal and Regulatory Requirements' of our report of even date

### Re: Vodafone Idea Limited ('the Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including situation and quantitative information of Property, Plant and Equipment except for network assets being relocated as part of network integration activity, which are pending updation in the records maintained by the Company.
- (B) The Company has maintained proper records showing full particulars of intangibles assets as reflected in the books.
- (b) The Company has a programme of physical verification of Property, Plant and Equipment to cover all the items in phased manner over a period of three years, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to such a programme, verification of fixed assets which are within its active network systems database through the centralized control centres and other records, has commenced during the year and is in progress as of reporting date. Hence, we are unable to comment on the discrepancies, if any, that may arise upon such verification.
- (c) According to information and explanations given by the management and based on the examination of the financial statements/registered deed/transfer deed/conveyance deed/court approved scheme of arrangements or amalgamations, the title deeds of all freehold land, leasehold land and buildings disclosed as property, plant and equipment are held in the name of the Company. In respect of immovable properties that have been taken on lease and disclosed as property, plant, and equipment in the financial statement, based on our examination of the lease agreements/court approved scheme of arrangements or amalgamations, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate.
- (b) The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks, if required are in agreement with the books of accounts of the Company.
- (iii) (a) During the year, the Company has provided loan to its subsidiary as follow:

Particulars	Loans (₹ in Million)
Aggregate amount granted/ provided during the year	330
- Subsidiary Company (Vodafone Idea Business Services Limited)	
Balance outstanding as at balance sheet date in respect of above case	5,771
- Subsidiary Company (Vodafone Idea Business Services Limited)	

During the year, the Company has not made investment, provided any guarantee or security or granted any advance in the nature of loans to any company, firm, limited liability partnership or any other party.

- (b) The terms and conditions of loans of ₹ 330 Mn granted during the year by the Company to its subsidiary and balance outstanding as at balance sheet date ₹ 5,771 Mn are not prejudicial to the Company's interest.
- (c) In respect of loan of ₹ 330 Mn granted by the Company to its Subsidiary, repayable on demand, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are in accordance with that.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year.

- (f) As disclosed in note 16 to the financial statements, the Company has granted loan during the year to related party as defined in clause (76) of section 2 of the Companies Act, 2013, which are repayable on demand.

Particulars	Related Parties
Aggregate amount of loans granted during the year to subsidiary.	
- Repayable on demand	330
Percentage of loans to the total loans	100%

- (iv) There are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central

Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to Telecommunication Services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it.
- According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, as at the March 31, 2022, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues on account of any dispute, are as follows:

Name of Statute	Type of Tax	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ in Mn)
Income Tax Act ,1961	Income Tax	Assessing Officer	2001-2002, 2003-2004, 2006-2012	807
Income Tax Act ,1961	Income Tax	Assistant Commissioner of Income Tax	2010-2013, 2017-2018, 2019-2020	18,248
Income Tax Act ,1961	Income Tax	Assistant Commissioner of Income Tax (Appeals)	2011-2013	130
Income Tax Act ,1961	Income Tax	Commissioner of Income Tax (Appeals)	2001-2019	55,341
Income Tax Act ,1961	Income Tax	Deputy Commissioner of Income Tax	2005-2006, 2012-2014, 2018-2019	19,946
Income Tax Act ,1961	Income Tax	Deputy Commissioner of Income Tax (Appeals)	2019-2020	42
Income Tax Act ,1961	Income Tax	High court of Andhra Pradesh	2009-2016	271
Income Tax Act ,1961	Income Tax	High Court of Bihar	2008-2010	28
Income Tax Act ,1961	Income Tax	High Court of Bombay	2006-2008, 2013-2014	1,375
Income Tax Act ,1961	Income Tax	High Court of Delhi	2004-2005, 2010-2011	17
Income Tax Act ,1961	Income Tax	High Court of Gujarat	2002-2004, 2007-2010-2012	773
Income Tax Act ,1961	Income Tax	High Court of Haryana	2008-2009	1,947
Income Tax Act ,1961	Income Tax	High Court of Hyderabad	2003-2009, 2013-2015	241
Income Tax Act ,1961	Income Tax	High Court of Karnataka	2007-2015	3,871
Income Tax Act ,1961	Income Tax	High Court of Kolkata	2002-2018	363
Income Tax Act ,1961	Income Tax	High Court of Madras	2006-2008, 2011-2014	116
Income Tax Act ,1961	Income Tax	High Court of Punjab & Haryana	2010-2011	39
Income Tax Act ,1961	Income Tax	High Court of Rajasthan	2010-2013	44



Name of Statute	Type of Tax	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ in Mn)
Income Tax Act ,1961	Income Tax	Income Tax Appellate Tribunal	2003-2017	121,351
Income Tax Act ,1961	Income Tax	Supreme Court of India	2004-2010	110
<b>Total of Income Tax</b>				<b>225,059</b>
The Customs Act, 1962	Custom Duty	Assistant/Deputy Commissioner of Customs	1999 - 2000, 2012 - 2015	4
The Customs Act, 1962	Custom Duty	Commissioner of Customs	1999 - 2000, 2007 - 2010, 2014 - 2020, 2021-2022	86
The Customs Act, 1962	Custom Duty	Commissioner of Customs (Appeals)	2008-2021	685
The Customs Act, 1962	Custom Duty	Customs Excise & Service Tax Appellate Tribunal	2004-2019	7,200
The Customs Act, 1962	Custom Duty	Supreme Court of India	2001 - 2003, 2006 - 2007, 2008 - 2009	205
The Customs Act, 1962	Custom Duty	Assessing Officer	2001 - 2002, 2005 - 2006, 2007 - 2008, 2017 - 2018, 2020 - 2021	54
The Customs Act, 1962	Custom Duty	High Court of Madras	2008 - 2009	7
<b>Total of Custom Duty</b>				<b>8,241</b>
Central Excise Act, 1944	Excise Duty	Assistant Commissioner of Central Excise	1999-2000	7
Central Excise Act, 1944	Excise Duty	Customs Excise & Service Tax Appellate Tribunal	2003 - 2005	8
<b>Total of Excise Duty</b>				<b>15</b>
Central Goods and Services Tax Act, 2017	Goods and Services Tax	Additional Commissioner (Appeals)	2006-2007, 2014-2015	1
Central Goods and Services Tax Act, 2017	Goods and Services Tax	Joint Commissioner (Appeals)	2017-2018	- *
Central Goods and Services Tax Act, 2017	Goods and Services Tax	State Tax Officer	2020 - 2021	- *
<b>Total of Goods and Service Tax</b>				<b>2</b>
The Finance Act, 1994	Service Tax	Assistant Commissioner of Service Tax	2010 - 2012	20
The Finance Act, 1994	Service Tax	Commissioner of Central Excise & Service Tax (Appeals)	2006 - 2018	325
The Finance Act, 1994	Service Tax	Commissioner of Service Tax	2016 - 2018	359
The Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	2003-2018	69,951
The Finance Act, 1994	Service Tax	High Court of Andhra Pradesh	2004 - 2009	25
The Finance Act, 1994	Service Tax	High Court of Bombay	2004-2013	294
The Finance Act, 1994	Service Tax	High Court of Calcutta	2004 - 2008	52
The Finance Act, 1994	Service Tax	High Court of Delhi	2004-2012	91
The Finance Act, 1994	Service Tax	High Court of Gujarat	2006-2008, 2009-2011	107
The Finance Act, 1994	Service Tax	High Court of Hyderabad	2007-2009	320
The Finance Act, 1994	Service Tax	High Court of Karnataka	2004-2009	101
The Finance Act, 1994	Service Tax	High Court of Kerala	2004 - 2006	24
The Finance Act, 1994	Service Tax	High Court of Madras	2004-2009	167
The Finance Act, 1994	Service Tax	High Court of Punjab & Haryana	1999 - 2009	91
The Finance Act, 1994	Service Tax	High Court of Rajasthan	2011 - 2013	19
The Finance Act, 1994	Service Tax	High Court of Judicature at Allahabad	2005-2008	97
The Finance Act, 1994	Service Tax	Supreme Court of India	1995 - 2015	3,535
<b>Total of Service Tax</b>				<b>75,576</b>
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	Appellate Tribunal	2002-2004	2

Name of Statute	Type of Tax	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ in Mn)
Delhi Sales Tax Act, 1975	Sales Tax	Additional Commissioner (Appeals)	2003 - 2004	2
Delhi Sales Tax Act, 1975	Sales Tax	Appellate Tribunal	1997-2004	31
Gujarat Sales Tax Act, 1969	Sales Tax	Appellate Tribunal	2005 - 2007	9
Haryana General Sales Tax Act, 1973	Sales Tax	Assessing Officer	2002 - 2003	79
Kerala Sales tax Act, 1963	Sales Tax	Appellate Tribunal	1998 - 1999	-*
Madhya Pradesh Commercial Tax Act, 1994	Sales Tax	Appellate Tribunal	2004 - 2005	-*
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	Appellate Tribunal	2003 - 2004	-*
The Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner	2013 - 2014	-*
The Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner (Appeals)	2012 - 2013	-*
The Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner of Commercial Taxes	2010 - 2011, 2014 - 2015, 2016 - 2018	35
The Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner of Sales Tax (Appeal)	2011-2014, 2016-2017	1
The Central Sales Tax Act, 1956	Sales Tax	Appellate Board	2013-2014	-*
The Central Sales Tax Act, 1956	Sales Tax	Appellate Deputy Commissioner	2015 - 2016	-*
The Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2005 - 2008, 2010 - 2018	135
The Central Sales Tax Act, 1956	Sales Tax	Assessing Officer	2011-2018	279
The Central Sales Tax Act, 1956	Sales Tax	Commissioner of Commercial Taxes (Appeal)	2011 - 2012, 2014 - 2016	4
The Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner (Appeals)	2013 - 2018	48
The Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner of Commercial Taxes	2011-2018	23
The Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner of Sales Tax (Appeal)	2015-2017	3
The Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax (Appeal)	2007 - 2009, 2012 - 2014, 2015 - 2016	7
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	High Court of Judicature at Allahabad	2003 - 2005	2
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	Joint Commissioner of Sales Tax (Appeal)	2005 - 2006, 2007-2009	2
The Central Sales Tax Act, 1956	Sales Tax	Assistant Commissioner of Commercial Taxes	2015 - 2016	1
Central Sales Tax Act, 1956	Sales Tax	Assistant Commissioner(Appeal)	2016-17	1
Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax (Appeal)	2008 - 2009	-*
Gujarat Sales Tax Act, 1969	Sales Tax	Deputy Commissioner of Commercial Taxes	1998 - 1999	8
Jammu and Kashmir Value Added Tax Act, 2005	Sales Tax	Assessing Officer	2016 - 2017	199
Karnataka Value Added Tax Act, 2003	Sales Tax	Deputy Commissioner of Commercial Taxes	2017-2018	-*

Name of Statute	Type of Tax	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ in Mn)
Maharashtra Value Added Tax Act, 2002	Sales Tax	Joint Commissioner of Sales Tax (Appeal)	2001 - 2005	18
The Rajasthan Value Added Tax Act, 2003	Sales Tax	Assistant Commissioner of Commercial Taxes	2001 - 2002	1
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	Appellate Tribunal	2005 -2008	24
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	Appellate Tribunal	2005-2010	5
Delhi Value Added Tax Act, 2004	Value Added Tax	Appellate Tribunal	1997 - 2002, 2004 - 2005, 2006 - 2008, 2010-2011	473
Delhi Value Added Tax Act, 2004	Value Added Tax	Commissioner of Commercial Taxes,(Appeal)	2005 - 2006, 2008 - 2010	18
Gujarat Value Added Tax Act, 2003	Value Added Tax	Appellate Tribunal	2006-2007	9
Jammu and Kashmir Value Added Tax Act, 2005	Value Added Tax	Assessing Officer	2012 - 2013, 2014-2015	1
Kerala Value Added Tax Act, 2003	Value Added Tax	Appellate Tribunal	2006 - 2007	19
Kerala Value Added Tax Act, 2003	Value Added Tax	Assistant Commissioner (Appeal)	2013 - 2014	- *
Kerala Value Added Tax Act, 2003	Value Added Tax	High Court of Kerala	2011-2013, 2014-2017	732
Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	Additional Commissioner of Sales Tax (Appeal)	2010 - 2011	- *
Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	Appellate Board	2012 - 2013	1
Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	High Court of Madhya Pradesh	2003 - 2004	2
Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2014 - 2015	- *
Maharashtra Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2007-2009, 2013-2014, 2015-2017	53
Odisha value added tax Act, 2004	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2012 - 2014	1
Punjab Value Added Tax Act, 2005	Value Added Tax	Assessing Officer	2016 - 2017	- *
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	Additional Commissioner of Commercial Taxes	2012 - 2016	4
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	Assistant Commissioner of Commercial Taxes (Appeal)	2007-2012	1
The Bihar Value Added Tax Act, 2005	Value Added Tax	Appellate Tribunal	2002 - 2003, 2008-2018	104
The Bihar Value Added Tax Act, 2005	Value Added Tax	Deputy Commissioner of Commercial Taxes	2005-2008	2
The Jharkhand Value Added Tax Act, 2005	Value Added Tax	Assessing Officer	2011 - 2012	- *
The Rajasthan Value Added Tax Act, 2003	Value Added Tax	Assistant Commissioner of Commercial Taxes	2017 - 2018	- *
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Additional Commissioner of Sales Tax (Appeal)	2009-2010, 2016-2017, 2010 - 2011, 2013-2014, 2015-2019	12

Name of Statute	Type of Tax	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ in Mn)
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Assessing Officer	2000 - 2001, 2008-2010, 2011-2012, 2013-2014, 2017-2018	21
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Deputy Commissioner of Commercial Taxes	2008-2009, 2011-2012	6
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2007 - 2008, 2009-2010, 2014-2015	1
West Bengal Value Added Tax, 2003	Value Added Tax	Appellate Board	2010-2012	13
West Bengal Value Added Tax, 2003	Value Added Tax	Appellate Tribunal	2007-2008	5
Kerala Value Added Tax Act, 2003	Value Added Tax	Deputy Commissioner of Commercial Taxes	2007 - 2008, 2015-2017	2
The Bihar Value Added Tax Act, 2005	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2016 - 2017	-*
The Haryana Value Added Tax Act, 2003	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2006 - 2008, 2012 - 2013	23
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Appellate Tribunal	2008 - 2009, 2012-2013	163
Delhi Value Added Tax Act, 2004	Value Added Tax	Assessing Officer	2003 - 2006	2
Delhi Value Added Tax Act, 2004	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2007 - 2008	1
Karnataka Value Added Tax Act, 2003	Value Added Tax	Additional Commissioner of Commercial Taxes	2012-2013	3
Kerala Value Added Tax Act, 2003	Value Added Tax	Assessing Officer	2012 - 2013	-*
Kerala Value Added Tax Act, 2003	Value Added Tax	Assistant Commissioner of Commercial Taxes (Appeal)	2008 - 2009, 2017-2018	35
Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	Commissioner of Commercial Taxes,(Appeal)	2013 - 2014	2
Maharashtra Value Added Tax Act, 2002	Value Added Tax	Appellate Tribunal	2010 - 2011	11
The Bihar Value Added Tax Act, 2005	Value Added Tax	Additional Commissioner of Commercial Taxes	2015-2017	20
The Bihar Value Added Tax Act, 2005	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2014-2015	2
The Central Sales Tax Act,1956	Value Added Tax	Appellate Tribunal	2009-2010, 2012-2013	4
The Central Sales Tax Act,1956	Value Added Tax	Assessing Officer	2007-2008	-*
The Rajasthan Value Added Tax Act, 2003	Value Added Tax	Assessing Officer	2015-2016	-*
Uttar Pradesh Trade Tax Act, 1948	Value Added Tax	High Court of Allahabad	2011 - 2012	1
Uttar Pradesh Trade Tax Act, 1948	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	2007 - 2009	-*
Uttar Pradesh Trade Tax Act, 1948	Value Added Tax	Trade Tax Tribunal	2007 - 2008, 2009-2010	1
<b>Total of Sales Tax &amp; Value Added Tax</b>				<b>2,669</b>

Name of Statute	Type of Tax	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ in Mn)
Assam Entry Tax Act, 2008	Entry Tax	Supreme Court of India	2007 - 2009	13
Bihar tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1993	Entry Tax	State Tax Tribunal	2011 - 2014	1
Bihar tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1993	Entry Tax	Assessing Officer	2008 - 2011	18
Bihar tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1993	Entry Tax	Joint Commissioner (Appeals)	2009 - 2010	12
Chhattisgarh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	State Tax Tribunal	2004 - 2005, 2006-2007, 2010-2011, 2012-2014	48
Chhattisgarh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	High court of Chattisgarh	2003 - 2004, 2008-2009	7
Chhattisgarh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	Supreme Court of India	2005 - 2018	31
Jammu and Kashmir Entry Tax on Goods Act, 2000.	Entry Tax	High Court of Jammu and Kashmir	2008 - 2010	142
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	Assistant Commissioner (Appeals)	2013 - 2014	12
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	Assit Commissioner Commercial tax	1998 - 2001, 2007-2008	5
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	Commissioner of Commercial Tax	2016 - 2017	5
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	Deputy Commissioner	2017 - 2018	1
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	High Court of Madhya Pradesh	2014 - 2016, 2008 - 2018	235
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	State tax tribunal	2016 - 2017	4
Orissa Entry Tax Act, 1999.	Entry Tax	Assessing Officer	2009 - 2010, 2015-2017	12
Orissa Entry Tax Act, 1999.	Entry Tax	High Court of Orissa	2007 - 2018	159
Orissa Entry Tax Act, 1999.	Entry Tax	Joint Commissioner (Appeals)	2014 - 2016	17
Orissa Entry Tax Act, 1999.	Entry Tax	Joint Commissioner of Commercial Taxes	2012 - 2014	1
Orissa Entry Tax Act, 1999.	Entry Tax	State tax tribunal	2012 - 2014	1
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	Commisioner Appeal	2003 - 2004	2
The Goa Tax on Entry of Goods Act, 2000	Entry Tax	Deputy Commissioner	2011 - 2018	64

Name of Statute	Type of Tax	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ in Mn)
The Karnataka Tax On Entry Of Goods Act, 1979	Entry Tax	High Court of Karnataka	2004 - 2005	18
The West Bengal Tax On Entry Of Goods Into Local Areas Act, 2012.	Entry Tax	Deputy Commissioner	2013 - 2014	1
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	State Tax Tribunal	2006 - 2008	5
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	Assistant Commissioner (Appeals)	2004 - 2008	50
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	Deputy Commissioner, Sales Tax	2008 - 2012	2
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	High Court of Allahabad	1998 - 2010	29
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	High Court of Nainital	2000 - 2004	1
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	Joint Commissioner of Commercial Taxes	2009 - 2010	-*
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	State tax tribunal	2006 - 2007, 2008-2010	154
Maharashtra Municipal Corporation Act, 1949	Entry Tax	Deputy Commissioner (Appeals)	2013 - 2015	113
Maharashtra Municipal Corporation Act, 1949	Entry Tax	Assistant Commissioner	2013 - 2016	2
Maharashtra Municipal Corporation Act, 1949	Entry Tax	Assistant Commissioner	2013 - 2016	422
Maharashtra Municipal Corporation Act, 1949	Entry Tax	Deputy Commissioner	2013 - 2014, 2015-2016	22
<b>Total of Entry Tax</b>				<b>1,607</b>
The Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhinyam, 2011	Entertainment Tax	High Court of Madhya Pradesh	2016 - 2018	538
<b>Total of Entertainment Tax</b>				<b>538</b>

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

Of the above cases, total amount deposited in respect of Income Tax is ₹ 72,039 Mn, Service Tax is ₹ 2,115 Mn, Sales Tax, Value Added Tax and Goods and Service Tax Act is ₹ 261 Mn, Custom Duty is ₹ 889 Mn, Entry tax is ₹ 705 Mn, Entertainment tax is ₹ Nil.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3 (viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On overall examination of the financial statements of the Company, the Company has used funds raised on short term basis (in form of trade payable and other liability) aggregating to ₹ 137,421 Million for long-term purposes (representing acquisition of property, plant and equipment and to fund losses of the Company).
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of equity shares of ₹45,000 Mn raised during the year. Out of amount so raised of ₹ 45,000 Mn, funds of ₹ 33,750 Mn have been utilised for the purposes for which the funds were raised and balance of ₹ 11,250 Mn remains unutilized in current account as at March 31, 2022. During the year, the Company has not raised money by private placement of convertible debentures.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013. Accordingly, requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) The Group has five Core Investment Company as part of the Group.
- (xvii) The Company has incurred cash losses in the current year amounting to ₹ 115,911 Mn. In the immediately preceding financial year, the Company had incurred cash losses amounting to ₹ 282,179 Mn.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

(xix) As referred to in 'Material uncertainty related to Going concern' paragraph in our main audit report and as disclosed in Note 4 and 61 to the financial statements which also includes the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty that the Company may not be capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of

the Act. This matter has been disclosed in note 52 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 52 to the standalone financial statements.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Nilangshu Katriar**

Partner

Membership Number: 58814

UDIN: 22058814AISLTO2797

Place: Mumbai

Date: May 10, 2022



## Annexure 2 to the Independent Auditor's Report

### of even date on the Standalone Financial Statements of Vodafone Idea Limited

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Vodafone Idea Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a

material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial

control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on

Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

### **per Nilangshu Katriar**

Partner

Membership Number: 58814

UDIN: 22058814AISLTO2797

Place: Mumbai

Date: May 10, 2022

**BALANCE SHEET**

as at March 31, 2022

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
₹ Mn			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment (including RoU Assets)	7	488,570	523,677
Capital work-in-progress	7	2,859	5,343
Intangible assets	8	1,031,625	1,098,542
Intangible assets under development	8	404	63
Financial assets			
Non-current investments	9	2,885	2,885
Other non-current financial assets	10	88,904	77,115
Deferred tax assets (net)	54	-	-
Other non-current assets	11	110,492	134,530
<b>Total non-current assets (A)</b>		<b>1,725,739</b>	<b>1,842,155</b>
<b>Current assets</b>			
Inventories	12	3	-
Financial assets			
Trade receivables	13	23,915	24,408
Cash and cash equivalents	14	14,144	2,402
Bank balance other than cash and cash equivalents	15	19,638	17,736
Loans to subsidiaries, joint venture and others	16	3,141	5,556
Other current financial assets	17	45,062	48,691
Current tax assets (net)		6,031	-
Other current assets	18	101,641	90,366
<b>Total current assets (B)</b>		<b>213,575</b>	<b>189,159</b>
<b>Total Assets (A+B)</b>		<b>1,939,314</b>	<b>2,031,314</b>

# BALANCE SHEET

as at March 31, 2022

Particulars	Notes	₹ Mn	
		As at March 31, 2022	As at March 31, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	321,188	287,354
Other equity	20	(935,550)	(664,430)
<b>Total equity (A)</b>		<b>(614,362)</b>	<b>(377,076)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Long term borrowings			
Loans from banks and Others	21(A)	28,363	64,846
Deferred payment obligations	21(B)	1,731,145	1,509,309
Lease liabilities	45	114,256	109,424
Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		852	1,266
Other non-current financial liabilities	22	68,461	63,275
Long term provisions	23	194	261
Other non-current liabilities	24	986	1,286
<b>Total non-current liabilities (B)</b>		<b>1,944,257</b>	<b>1,749,667</b>
<b>Current liabilities</b>			
Financial liabilities			
Short term borrowings			
Lease liabilities	45	113,989	104,447
Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		2,857	1,015
Total outstanding dues of creditors other than micro enterprises and small enterprises		130,384	130,652
Other current financial liabilities	27	136,573	130,306
Other current liabilities	28	74,194	62,201
Short term provisions	29	191	424
<b>Total current liabilities (C)</b>		<b>609,419</b>	<b>658,723</b>
<b>Total Equity and Liabilities (A+B+C)</b>		<b>1,939,314</b>	<b>2,031,314</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director &amp; Chief Executive Officer

(DIN : 01719511)

Place: Mumbai

Date : May 10, 2022

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

₹ Mn

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Service revenue		382,018	416,589
Sale of trading goods		6	-
Other operating income	30	183	138
<b>Revenue from operations</b>		<b>382,207</b>	<b>416,727</b>
Other income	31	975	2,584
<b>Total income</b>		<b>383,182</b>	<b>419,311</b>
<b>OPERATING EXPENDITURE</b>			
Cost of trading goods		6	-
Employee benefit expenses	32	15,614	18,583
Network expenses and IT outsourcing cost	33	101,790	97,941
License fees and spectrum usage charges	34	41,864	41,291
Roaming and access charges	35	29,155	52,906
Subscriber acquisition and servicing expenditure	36	20,198	18,157
Advertisement, business promotion expenditure and content cost	37	9,788	7,868
Other expenses	38	9,457	15,696
		<b>227,872</b>	<b>252,442</b>
<b>Profit/(Loss) before finance costs, depreciation, amortisation, exceptional items and tax</b>		<b>155,310</b>	<b>166,869</b>
Finance costs	39	209,734	179,916
Depreciation	7	139,727	138,094
Amortisation	8	88,848	90,968
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(282,999)</b>	<b>(242,109)</b>
Exceptional items (net)	40	627	(221,036)
<b>Profit/(Loss) before tax</b>		<b>(282,372)</b>	<b>(463,145)</b>
Tax expense:			
- Current tax	53	-	(208)
- Deferred tax	53 & 54	-	-
<b>Profit/(Loss) after tax</b>		<b>(282,372)</b>	<b>(462,937)</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
<b>Items not to be reclassified to profit or loss in subsequent periods:</b>			
Equity instrument through other comprehensive gain/(losses)		-	(4,512)
Re-measurement gains/(losses) on defined benefit plans	50	89	360
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>89</b>	<b>(4,152)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(282,283)</b>	<b>(467,089)</b>
<b>Earnings/(Loss) per equity share of ₹ 10 each:</b>	55		
Basic (₹)		<b>(9.82)</b>	<b>(16.11)</b>
Diluted (₹)		<b>(9.82)</b>	<b>(16.11)</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director &amp; Chief Executive Officer

(DIN : 01719511)

Place: Mumbai

Date : May 10, 2022

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

# STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

## A. EQUITY SHARE CAPITAL:

Equity shares of ₹ 10 each issued, subscribed and fully paid	Numbers	Amount (₹ Mn)
<b>As at April 1, 2020</b>	<b>28,735,389,240</b>	<b>287,354</b>
Issue of share capital	-	-
<b>As at March 31, 2021</b>	<b>28,735,389,240</b>	<b>287,354</b>
Issue of share capital (refer note 41(i))	3,383,458,645	33,834
<b>As at March 31, 2022</b>	<b>32,118,847,885</b>	<b>321,188</b>

**STATEMENT OF CHANGES IN EQUITY**

for the year ended March 31, 2022

**B. OTHER EQUITY**

₹ Mn

Particulars	Reserves and surplus							Total			
	Capital reserve (refer note 20(i))	Capital reduction reserve (refer note 20(ii))	Debt redemption reserve (refer note 20(iii))	Securities premium (refer note 20(iv))	Amalgamation adjustment deficit account (refer note 20(v))	General reserve (refer note 20(vi))	Retained earnings (refer note 20(vii))		Employee stock options reserve (refer note 20(viii))	Business Restructuring Reserve (refer note 20(ix))	Equity instrument through other comprehensive income (refer note 20(x))
<b>As at April 1, 2020</b>	(97,462)	277,787	4,408	1,084,698	(488,444)	22,256	(1,018,850)	656	25,409	(7,799)	(197,341)
Profit/(Loss) for the year ended March 31, 2021	-	-	-	-	-	-	(462,937)	-	-	-	(462,937)
Other comprehensive income/(loss) for the year ended March 31, 2021	-	-	-	-	-	-	360	-	-	(4,512)	(4,152)
<b>Total comprehensive income/(loss)</b>	-	-	-	-	-	-	(462,577)	-	-	(4,512)	-
Share-based payment expenses (refer note 49)	-	-	-	-	-	-	295	(295)	-	-	-
<b>As at March 31, 2021</b>	(97,462)	277,787	4,408	1,084,698	(488,444)	22,256	(1,481,132)	361	25,409	(12,311)	(684,430)
Profit/(Loss) for the year ended March 31, 2022	-	-	-	-	-	-	(282,372)	-	-	-	(282,372)
Other comprehensive income/(loss) for the year ended March 31, 2022	-	-	-	-	-	-	89	-	-	-	89
<b>Total comprehensive income/(loss)</b>	-	-	-	-	-	-	(282,283)	-	-	-	-
Allotment of equity shares (net of share issue expenses of ₹ 3 Mn) (refer note 41(i))	-	-	-	11,163	-	-	-	-	-	-	11,163
Share-based payment expenses (refer note 49)	-	-	-	-	-	-	311	(311)	-	-	-
<b>As at March 31, 2022</b>	(97,462)	277,787	4,408	1,095,861	(488,444)	22,256	(1,763,104)	50	25,409	(12,311)	(935,550)

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

**Nilangshu Katriar**

Partner

Membership No.: 58814

Place: Mumbai

Date : May 10, 2022

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director &amp; Chief Executive Officer

(DIN : 01719511)

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

# STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

₹ Mn

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>OPERATING ACTIVITIES</b>		
<b>Loss before tax</b>	(282,372)	(463,145)
<b>Adjustments to reconcile loss before tax to net cash flows</b>		
Depreciation of property, plant and equipment (including RoU assets)	139,727	138,094
Amortisation of intangible assets	88,848	90,968
Share-based payment expense (ESOS)	(16)	35
(Gain) on disposal of property, plant and equipment and intangible assets (net)	(649)	-
Loss on sale of stake in Indus (Joint Venture) (refer note 40)	-	170
Impact due to cancellation of lease contract on network re-alignment (refer note 40)	-	(1,696)
Accelerated depreciation on account of network re-alignment / re-farming (refer note 40)	137	5,716
License fees and SUC on AGR (refer note 40)	-	194,405
One Time Spectrum Charges (refer note 40)	-	5,027
Impairment of Brand (refer note 40)	-	7,246
Provision for impairment towards its loan receivable/investment in subsidiaries/ associate (refer note 40)	-	10
Finance costs (including fair value change in financial instruments)	209,734	179,916
Bad debts/advances written off	1,723	3,810
Allowance for doubtful debts / advances	(12)	(659)
Liabilities/provisions no longer required written back	(54)	(17)
Other income	(975)	(2,584)
<b>Working capital adjustments</b>		
(Increase)/Decrease in trade receivables	(722)	2,318
(Increase) in inventories	(3)	-
(Increase) in other financial and non-financial assets	(30,184)	(6,638)
(Decrease)/Increase in trade payables	(845)	7,292
Increase/(Decrease) in other financial and non-financial liabilities	29,429	(16,043)
<b>Cash flows from operating activities</b>	<b>153,766</b>	<b>144,225</b>
Income tax refund (including TDS) (net)	14,843	7,032
<b>Net cash flows from operating activities</b>	<b>168,609</b>	<b>151,257</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development)	(57,763)	(44,952)
Payment towards Spectrum and Licenses - Upfront payment	(1,035)	(5,747)
Proceeds from sale of property, plant and equipment and intangible assets	1,158	1,742
Proceeds towards Business consideration	2,269	-
Proceeds from sale of stake in Indus (net of expenses related to sale of ₹ 170 Mn) (refer note 41(iii))	-	37,472
Net sale of current investments	180	4,952
Loans given to subsidiary	(330)	-
Repayment of loan given to subsidiaries and joint venture	2,757	2,856
Interest received	536	1,763
Fixed deposits with banks having maturity of 3 to 12 months	-	16,498
Dividend received from joint venture (Indus)	-	1,115
<b>Net cash flows from/(used in) investing activities</b>	<b>(52,228)</b>	<b>15,699</b>



# STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
₹ Mn		
<b>Financing Activities</b>		
Proceeds from allotment of equity shares under Preferential Issue (net of share issue expenses of ₹ 3 Mn) (refer note 41(i))	44,997	-
Payment of interest and finance charges <sup>(1)</sup>	(28,043)	(28,299)
Payment of lease liabilities (refer note 45)	(69,284)	(95,446)
Proceeds from long term borrowings	5,000	-
Repayment of long term borrowings	(80,641)	(43,220)
Proceeds from short term borrowings	24,192	1,620
Repayment of short term borrowings	(860)	(2,393)
<b>Net cash flows (used in) financing activities</b>	<b>(104,639)</b>	<b>(167,738)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year</b>	<b>11,742</b>	<b>(782)</b>
Cash and cash equivalents at the beginning of the year	2,402	3,184
<b>Cash and cash equivalents at the end of the year</b>	<b>14,144</b>	<b>2,402</b>

<sup>(1)</sup> Includes interest payment on deferred payment liabilities forming part of long term borrowings.

## 1. Cash and Cash Equivalents include the following Balance Sheet amounts

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash on hand	32	29
Cheques on hand	65	174
Balances with banks		
In current accounts	14,047	2,199
	<b>14,144</b>	<b>2,402</b>

# STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

## 2. Disclosure of changes in liabilities arising from financing activities on account of non-cash transactions

Particulars	₹ Mn				
	Loans from banks and others including current maturities	Deferred payment obligations including current maturities	Changes in derivative liabilities (net)	Interest accrued but not due	Lease liabilities
<b>Balance as at April 1, 2020</b>	<b>274,129</b>	<b>877,007</b>	<b>(822)</b>	<b>61,085</b>	<b>268,530</b>
(i) Cash flow Items					
Net proceed/(repayment) of borrowings	(43,497)	(496)	-	-	-
Payment of Interest and finance charges	-	-	(7)	(28,292)	-
Payment of lease liabilities (refer note 45)	-	-	-	-	(95,446)
(ii) Non - cash items					
Foreign exchange (gain)/loss	(687)	-	-	687	-
Finance cost accrued (charged to profit and loss)	-	-	1,269	157,864	20,783
Upfront fees amortisation	69	-	-	(69)	-
Interest on Asset retirement obligation	-	-	-	(9)	-
Interest related to vendors and other liabilities	-	-	-	(39,604)	-
Accrued interest on deferred payment liability for spectrum and others transferred to borrowing on anniversary date	-	86,274	-	(86,274)	-
Accrued interest on loans from banks and others transferred to borrowing	1,431	-	-	(1,431)	-
Reclassification of Deferred Payment obligation pursuant to AGR judgment (refer note 3)	-	609,603	-	-	-
Addition of lease liabilities (refer note 45)	-	-	-	-	32,205
Deletion of lease liabilities (refer note 45)	-	-	-	-	(12,201)
<b>Balance as at March 31, 2021</b>	<b>231,445</b>	<b>1,572,388</b>	<b>440</b>	<b>63,957</b>	<b>213,871</b>
(i) Cash flow Items					
Net proceed/(repayment) of borrowings	(52,254)	(55)	-	-	-
Payment of Interest and finance charges	-	-	1	(28,044)	-
Payment of lease liabilities (refer note 45)	-	-	-	-	(69,284)
(ii) Non - cash items					
Foreign exchange (gain)/loss	418	-	-	(418)	-
Finance cost accrued (charged to profit and loss)	-	-	(339)	191,136	18,937
Upfront fees amortisation	(46)	-	-	46	-
Interest on Asset retirement obligation	-	-	-	5	-
Interest related to vendors and other liabilities	-	-	-	(11,524)	-
Accrued interest on deferred payment liability towards spectrum and AGR transferred to borrowing on anniversary date	-	145,665	-	(145,665)	-
Accrued interest on loans from banks and others transferred to borrowing	25	-	-	(25)	-
Addition towards Spectrum acquisition	-	13,153	-	137	-
Addition of lease liabilities (refer note 45)	-	-	-	-	73,831
Deletion of lease liabilities (refer note 45)	-	-	-	-	(9,110)
<b>Balance as at March 31, 2022</b>	<b>179,588</b>	<b>1,731,151</b>	<b>102</b>	<b>69,605</b>	<b>228,245</b>

3. The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited**

**Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director & Chief Executive Officer

(DIN : 01719511)

Place: Mumbai

Date : May 10, 2022

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

# NOTES

forming part of the Standalone Financial Statements

## 1. CORPORATE INFORMATION

Vodafone Idea Limited (“the Company”), a public limited company, was incorporated under the provisions of the Companies Act applicable in India on March 14, 1995. Its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India (Scrip Code: NSE: IDEA, BSE: 532822). The registered office of the Company is situated at Suman Tower, Plot No. 18, Sector-11, Gandhinagar – 382011, Gujarat. The Company is one of the leading telecom service providers in India. The Company is engaged in the business of Mobility and Long Distance services.

These financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 10, 2022.

## 2.(A) STATEMENT OF COMPLIANCE

These financial statements of the Company comprising of Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows together with the notes have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

## 2.(B) BASIS OF PREPARATION

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All financial information presented in ₹ has been rounded off to million unless otherwise stated.

Ministry of Corporate Affairs (MCA) issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments were applicable to the Company for the financial year starting April 01, 2021. The Company has given effect of such regroupings

in financial statements including figures for the corresponding previous year wherein:

- a) Current maturities of long term loans from banks and others and Current maturities of Deferred payment obligations have been regrouped from “Other current financial liabilities” in the audited financial statements for the year ended March 31, 2021 to “Short term borrowings” in financial statements.
- b) Lease liabilities have been disclosed separately as “Lease Liabilities” in the financial statements from “Other non-current financial liabilities” and “Other current financial liabilities” in the audited financial statements for the year ended March 31, 2021.

The Company has elected to present Profit/(Loss) before finance costs, depreciation, amortisation, exceptional items and tax as a separate line item on the face of the statement of profit and loss. In such measurement, the company does not include finance costs, depreciation, amortisation, exceptional items and tax.

The financial statements are based on the classification provisions contained in Ind AS 1, ‘Presentation of Financial Statements’ and division II of schedule III of the Companies Act, 2013.

3. The Hon’ble Supreme Court on October 24, 2019 along with supplementary order dated July 20, 2019 and final order dated September 01, 2020 delivered its judgment (together referred to as “AGR Judgment”) on the cross appeals against the Hon’ble TDSAT judgment dated April 23, 2015, relating to the definition of Adjusted Gross Revenue. The order upheld the principal demand, levy of interest, penalty and interest on penalty.

Subsequent to the same, on September 01, 2020, vide its judgment, the Hon’ble Supreme Court has inter-alia directed that for the demand raised by the DoT 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 March 31, 2021 and thereafter, Telecom Operators to make payment in yearly instalments commencing from April 01, 2021 to March 31, 2031 payable by 31st March of every succeeding financial year. The cumulative amount paid

## NOTES

### forming part of the Standalone Financial Statements

by the Company of ₹ 78,544 Mn exceeded 10% of the total liability, and accordingly the Company filed an affidavit with Hon'ble Supreme Court including the compliance letter confirming payment of 10% of the total dues along with an undertaking to pay the arrears as per the Court judgement from FY 21-22 onwards.

The Company had on August 10, 2021 filed a review petition with the Hon'ble Supreme Court for considering to hear the modification application on correction of manifest / clerical / arithmetic errors in the computation of AGR demands which is still pending to be heard.

The Union Cabinet on September 15, 2021 approved major structural and process reforms in the telecom sector to boost the proliferation and penetration of broadband and telecom connectivity. Further to address liquidity requirements, the Cabinet has also approved deferment of AGR dues which are payable in annual instalments as determined by the Hon'ble Supreme Court for up to four years without any change in the instalment period and deferment of spectrum auction instalments payable from October 01, 2021 to September 30, 2025 excluding the instalments due for spectrum auction conducted in 2021. The DoT also revised the definition of AGR effective October 01, 2021 to exclude non-telecom revenues. On October 14, 2021, DoT issued the required notifications giving an option for moratorium of Spectrum instalment and AGR dues to be confirmed by the Company on or before October 29, 2021. It also provided a period of 90 days to confirm upfront conversion, if any, of the interest amount arising due to such deferment into equity. The Company has conveyed its acceptance for the deferment of Spectrum auction instalments & AGR dues by a period of four years with immediate effect and has also requested for inclusion of the amounts after the affidavit period till AGR judgement of 2019 to be covered by the cabinet relief package.

At its meeting held on January 10, 2022, the Board of Directors approved the conversion of the full amount of such interest on the deferred instalments related to deferred annual spectrum liabilities and AGR dues into shares in the company, either ordinary and / or preference, at the discretion of government. Subsequently on March 31, 2022, DoT has computed the Net Present value (NPV) of the interest liability on moratorium period amounting to ₹ 161,331 Mn towards AGR dues (as per Hon'ble SC affidavit dated

September 01, 2020) and deferred annual Spectrum liabilities respectively as on the date of exercise of option i.e. January 10, 2022, which the Company has confirmed on April 14, 2022. Further the accounting of such conversion will happen upon the completion of the process concluding with the actual issue of shares and hence no effects have been given while drawing up the Financial Statements for the year. Such conversion will result in dilution to all the existing shareholders of the Company, including the Promoters.

Accordingly, as at March 31, 2022, the net liability towards AGR dues arising out of Hon'ble Supreme Court judgment amounting to ₹ 659,534 Mn (net of payment of ₹ 78,544 Mn) (including interest till March 31, 2022) is disclosed as deferred payment obligation under long term borrowings in the financial statements.

4. The Company has incurred a loss of ₹ 282,372 Mn for the year ended March 31, 2022 and its net worth stands at negative ₹ 614,362 Mn. As at March 31, 2022, the total external debt (including interest accrued but not due) of the Company stands at ₹1,978,782 Mn. As of March 31, 2022, an amount of ₹ 68,131 Mn (March 31, 2021: ₹ 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. 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 next steps/waivers. The existing debt as payable by March 31, 2023 is ₹ 81,555 Mn (excluding amount classified as current on account of not meeting certain covenant clauses).

As the Company has already availed the moratorium with respect to AGR and Deferred Spectrum Obligation as referred above, and raised the fund from the promoter / promoter group companies for ₹ 45,000 Mn as referred in note 41(i), the Company's ability to continue as a going concern is now dependent on raising additional funds as required, successful negotiations with lenders for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. As of date, the Company has met all its debt obligations. Pending the outcome of the above matters, these financial statements have been prepared on a going concern basis.

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### 5. Significant Accounting Policies

#### a) Revenue from contracts with customers

Revenue is recognised when a customer receives services and thus has the ability to direct the use and obtain benefits from those services. Revenue is measured at the Transaction price i.e. an amount that reflects the consideration, to which an entity expects to be entitled in exchange for transferring goods or services to customers, excluding amounts collected on behalf of third parties. Taxes and duties collected by the seller / service provider are to be deposited with the government and not received by the Company on their own account. Accordingly, it is excluded from revenue. The Company evaluates its exposure to significant risks and reward associated with the revenue arrangements in order to determine its position of a principal or an agent in this regard. Consideration payable to a customer includes cash or credit or other items expected to be payable to the customer (or to other parties that purchase the entity's services from the customer). The Company accounts for consideration payable to a customer as a reduction from the transaction price unless the payment to the customer is in exchange for a distinct service that the customer transfers to the entity.

##### i) Revenue from supply of services

Revenue on account of telephony services (post-paid and prepaid categories, roaming, interconnect and long distance services) is recognised on rendering of services. Fixed Revenues in the post-paid category are recognised over the period of rendering of services. Processing fees on recharge vouchers in case of prepaid category is recognised over the validity of such vouchers.

Revenue from other services (internet services, mobile advertisement, revenue from toll free services, etc.) is recognised on rendering of services. Revenue from passive infrastructure is recognised on rendering of services.

If the consideration in a contract includes a variable amount, the Company estimates the

amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Multiple element contracts:

Bundle packages that include multiple elements, at the inception of the arrangement, the Company determines whether it is necessary to separate the separately identifiable elements and apply the corresponding revenue recognition policy to each element. Total package revenue is allocated among the identified elements based on their relative standalone price.

##### ii) Unbilled income

Unbilled income is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs its obligation by transferring goods or services to a customer before the same is invoiced to the customer, unbilled income is recognised for the earned consideration that is conditional on satisfaction of performance obligation.

##### iii) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 5(q) Financial instruments – initial recognition and subsequent measurement.

##### iv) Advance from customer and deferred revenue

Advance from customer and deferred revenue is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the

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Company transfers services to the customer, a contract liability is recognised when the payment is made. Advance from customer and deferred revenue are recognised as revenue when the Company fulfils its performance obligations under the contract.

v) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recorded using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount on initial recognition.

vi) Dividends

Dividend income is recognised when the Company's right to receive the payment is established.

vii) Cost to obtain a contract

The Company pays sales commission to its channel partners for each contract that they obtain. Such costs are deferred over the average expected customer life-cycle provided the estimated average customer life-cycle is higher than twelve months. The Company re-estimates the average customer life cycle on a periodic basis.

#### b) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Company's lease asset classes primarily

consist of leases for passive infrastructure for cell sites and immovable properties.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment (Refer note 5(l)).

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement

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date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification i.e. a change in the lease term or a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The re-measurement of lease liability is done by discounting the revised lease payments using the Company's incremental borrowing rate at the effective date of modification.

- iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### Company as a lessor

Finance lease:

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting period so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating lease:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost

increase; such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term. Contingent rents are recognised as income in the period in which they are earned.

The Company enters into agreements which entitle its customers the right to use of specified capacity of dark fibre / bandwidth capacity for a specific period of time. Under such arrangements, the rights to use the specified assets are given for a substantial part of the estimated useful life of such assets. The contracted price received upfront in advance is treated as deferred revenue and is recognised on a straight line basis over the agreement period.

#### c) Employee benefits

- i. Defined Contribution Plan

Contributions to Provident and other funds are funded with the appropriate authorities and charged to the Statement of Profit and Loss when the employees have rendered service entitling them to the contributions.

Contributions to Superannuation are funded with the Life Insurance Corporation of India and charged to the Statement of Profit and Loss when the employees have rendered service entitling them to the contributions.

The Company has no obligation other than contribution payable to these funds.

- ii. Defined Benefit Plan

The Company has a defined benefit gratuity plan which is a combination of funded plan and unfunded plan. In case of funded plan, the Company makes contribution to a separately administered fund with the Insurance Companies. The Company maintains a target level of funding to be maintained over a period of time based on estimation of the payments. Any deficit in plan assets managed by Insurance

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Companies as compared to the liability based on an independent actuarial valuation is recognised as a liability. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, with actuarial valuations being carried out at periodic intervals.

Re-measurements, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding charge or credit to Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs; and
  - Net interest expense or income
- iii. Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, wages, Long Term Incentive Plan (LTIP) and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Provision for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the reporting date. The related re-measurements are recognised in the Statement of Profit and Loss in the period in which they arise.

- iv. Share- based payments
- Equity-settled share-based payments to employees for options granted by the Company to its employees are measured at

the fair value of the equity instruments at the grant date.

Stock option of Vodafone Group Plc (VGPLC) granted to the employees of the Company are accounted as cash-settled share based payments by the Company.

The fair value determined at the grant date of the equity settled share-based payments is expensed over the period in which the performance or service conditions are fulfilled, based on the Company's estimate of stock options that will eventually vest, with a corresponding increase in equity. The fair value of the cash settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of stock option that will eventually vest, with a corresponding increase in liability. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve or liability as applicable.

In respect of cancellation of unvested stock options, the amount already charged as share based payment expense is reversed under the same head in the Statement of Profit and Loss. In respect of cancellation/expiration of vested stock options, the amount already charged as share based payment expense is adjusted against Retained earnings in Other Equity.

In respect of modification such as re-pricing of existing stock option, the difference in fair value of the option on the date of re-pricing is accounted for as share based payment expense over the remaining vesting period.

#### **d) Annual Revenue Share License Fees and Spectrum Usage Charges**

The variable license fees and annual spectrum usage charges, computed basis of adjusted gross



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revenue, are charged to the Statement of Profit and Loss in the period in which the related revenue arises as per the license agreement of the licensed service area at prescribed rate.

#### e) Foreign currency transactions

The Company's financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded at the ₹ spot rate on the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised on net basis within finance cost in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rates at the dates of the initial transactions.

#### f) Exceptional items

Items of income or expense which are non-recurring or outside of the ordinary course of business and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company are disclosed as exceptional items in the Statement of Profit and Loss.

#### g) Taxes

Income tax expense represents the sum of current tax and deferred tax.

##### i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable income and calculated using the applicable tax rates and tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

##### ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at the end of each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation statute.

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#### h) Current / Non – Current Classification

An asset is classified as current when

- It is expected to be realized or consumed in the respective company's normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Any asset not conforming to the above is classified as non-current.

A liability is classified as current when

- It is expected to be settled in the normal operating cycle of the respective companies;
- It is held primarily for the purposes of trading;
- It is expected to be settled within twelve months after the reporting period; or
- The respective companies have no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as non-current.

#### i) Property, Plant and Equipment

Property, Plant and Equipment (PPE) and Capital work in progress (CWIP) held for use in the rendering of services and supply of goods, or for administrative purposes, are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all direct costs relating to acquisition and installation of Property, Plant and Equipment, non-refundable duties and borrowing cost relating to qualifying assets. CWIP represents cost of property, plant and equipment not ready for intended use as on the reporting date. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land is not depreciated. Depreciation on all other assets under PPE commences once such assets are available for use in the intended condition and location. Depreciation is provided using straight-line method on pro rata basis over their estimated useful economic lives as given below. The useful life is taken as prescribed in Schedule II to the Companies Act, 2013 except where the estimated useful economic life has been assessed to be lower.

Asset Retirement Obligation (ARO) is capitalized when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. ARO is measured based on present value of expected cost to settle the obligation.

Particulars	Estimated useful life (in years)
Buildings	25 to 30
Leasehold Improvements	Period of lease or 10 years whichever is lower
Network Equipments	7 to 9
Optical Fibre	15
Other Plant and Equipment	2 to 5
Office Equipments	3 to 5
Computers and servers	3 to 5
Furniture and Fixtures	5 to 10
RoU Assets	
- Land & Building	Over the period of lease
- Cell sites	Over the period of lease
- Bandwidth (IRU)	Over the period of agreement
- Others	3 to 5
Motor Vehicles	2 to 5

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An item of property, plant and equipment and any significant part which meets the criteria for asset held for sale will be reclassified from property, plant and equipment to asset held for sale. When any significant part of property, plant and equipment is discarded or replaced, the carrying value of discarded / replaced part is derecognized. Any gains or losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss on the date of retirement or disposal.

#### j) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. There are no intangible assets assessed with indefinite useful life.

Intangible assets with finite lives are amortised over the useful economic life. The amortisation period, residual value and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised on straight line method as under:

- Cost of spectrum is amortised on straight line method from the date when the related

network is ready for intended use over the unexpired period of the spectrum.

- Cost of licenses is amortised on straight line method from the date of launch of circle/ renewal of license over the unexpired period of the license.
- Software, which is not an integral part of hardware, is treated as an intangible asset and is amortised over its useful economic life as estimated by the management between 3 to 5 years.
- Brand - Separately acquired brand is shown at historical cost. Subsequently brand is carried at cost less accumulated amortisation and impairment loss, if any. The Company amortises brand using the straight line method over the estimated useful life of 10 years.

Cost of Intangible assets under development represents cost of intangible assets not ready for intended use as on the reporting date. It includes the amount of spectrum allotted to the Company and related borrowing costs (that are directly attributable to the acquisition or construction of qualifying assets) if any, for which network is not yet ready.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### k) Non – Current Assets Held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and its sale is highly probable. The sale is considered highly probable only when the asset or disposal groups is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and the sale is expected to be completed within one year from the date of classification. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair

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value less costs to sell. These are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

Non-current assets that ceases to be classified as held for sale are measured at lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

#### **l) Impairment of Non – Financial Assets**

Tangible assets (including ROU assets) and Intangible assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, an appropriate valuation model is used. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, an impairment loss is recognised in Statement of Profit and Loss by reducing the carrying amount of the asset (or cash-generating unit) to its recoverable amount.

For assets excluding goodwill, impairment losses recognized in the earlier periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. If such indication exists, the Company estimates the asset's (or cash generating unit's) recoverable amount. A previously recognized impairment

loss is reversed only if there has been a change in estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had such impairment loss not been recognised for the asset (or cash-generating unit) in prior years. Any reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

#### **m) Investment in Subsidiaries, Associate and Joint Arrangements**

The Company recognises its investment in subsidiaries, joint ventures and associate at cost less any impairment losses, if any except investment in Indus which has accounted for at Fair value through other comprehensive income.

#### **n) Borrowing Costs**

Borrowing Costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the finance costs.

#### **o) Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price

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in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### p) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### q) Financial Instruments

##### Initial recognition and measurement

Financial Instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

##### i. Financial assets

All regular way purchase or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

##### Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at

either amortised cost or fair value, depending on the classification of the financial assets:

- a) Financial assets measured at amortised cost
- b) Financial assets measured at fair value through profit or loss (FVTPL)
- c) Financial assets measured at fair value through other comprehensive income (FVTOCI)

#### I. Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables, loans, etc.

#### II. Financial assets measured at FVTPL

FVTPL is a residual category for financial assets in the nature of debt instruments.

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Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Debt instruments measured at amortised cost e.g., loans and bank deposits
- Trade receivables
- Other Financial assets not designated as FVTPL

For recognition of impairment loss on other financial assets and risk exposure, the

Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables (including lease receivables). The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For the purpose of measuring the expected credit loss for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively depending on their significance. Individual trade receivables are written off when management deems them not to be collectible on assessment of facts and circumstances. Refer note 13.

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### III. Financial assets measured at FVTOCI

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss and recognised in other (gains)/losses (net). Interest income from these financial assets is included in other income using the effective interest rate method.

#### ii. Financial liabilities

##### Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the EIR method or at FVTPL.

##### a) Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

##### b) Financial liabilities at FVTPL

Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for

trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

##### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. In case, an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in Statement of Profit and Loss.

#### iii. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to manage its foreign currency risks and interest rate risks, respectively. These derivative instruments are not designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency and interest exposures. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains

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or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss.

#### Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative instrument. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

#### iv. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

#### r) Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances that caused the transfer or (b) at the end of each reporting period or (c) at the beginning of each reporting period.

#### s) Dividend distribution to equity holders

Dividends paid / payable along with applicable taxes are recognised when it is approved by the shareholders. In case of interim dividend, it is recognised when it is approved by the Board of Directors and distribution is no longer at the discretion of the Company. A corresponding amount is accordingly recognised directly in equity.



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#### t) Earnings per share

The earnings considered in ascertaining the Company's Earnings per share (EPS) is the net profit / (loss) after tax.

EPS is disclosed on basic and diluted basis. Basic EPS is computed by dividing the profit / (loss) for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

#### u) Onerous Contract

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

#### v) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used,

the increase in the provision due to the passage of time is recognised as a finance cost.

#### i. Asset Retirement Obligation (ARO)

ARO is provided for those lease arrangements where the Company has a binding obligation to restore the said location / premises at the end of the period in a condition similar to inception of the arrangement. The restoration and decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

#### ii. Contingent Liabilities

A Contingent Liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are not recognised.

#### w) Business Combinations

Business Combinations are accounted for using Ind AS 103 'Business Combination'. Acquisitions of businesses are accounted for using the acquisition method unless the transaction is between entities under common control.

Business Combinations arising from transfer of interests in entities that are under common control, are accounted using pooling of interest method wherein, assets and liabilities of the combining entities are reflected at their carrying value. No adjustment is made to reflect fair values, or recognize any new assets or liabilities other than those required to harmonise accounting policies. The identity of the reserves is preserved

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and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

#### Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

#### i) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

#### ii) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### iii) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs

that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

#### iv) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

#### v) Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

### 6. Use of estimates, assumptions and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due

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to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Estimates and Assumptions

##### i. Taxes

The respective companies provide for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the respective companies will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.

Minimum alternative tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the respective companies will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The respective companies review the same at each Balance Sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that respective companies will be able to absorb such credit during the specified period. Further details about taxes refer note 53 and 54.

##### ii. Defined benefit plans (gratuity and compensated absences benefits)

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation

involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions.

All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 50 (A).

##### iii. Allowance for Trade receivable

For the purpose of measuring the expected credit loss for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively depending on their significance. Individual trade receivables are written off when management deems them not to be collectible on assessment of facts and circumstances. Refer note 13.

##### iv. Useful life of Property, Plant and Equipment

The useful life to depreciate property, plant and equipment is based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset, and manufacturers' warranties, maintenance and support period, etc.

The charge for the depreciation is derived after considering the expected residual value at end of the useful life.

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The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by the management at each financial year end and adjusted prospectively, if appropriate. Further details about property, plant and equipment are given in note 7.

#### **v. Leases - Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain specific estimates such as Company's credit rating.

#### **vi. Leases-Estimate of lease period**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

#### **vii. Provisions and Contingent Liabilities**

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Evaluations of uncertain provisions and contingent liabilities and assets requires judgement and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts. Refer note 43 for further details about Contingent liabilities.

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### NOTE 7: PROPERTY, PLANT AND EQUIPMENT (INCLUDING ROU ASSETS)

Particulars	Freehold land <sup>^</sup>	Buildings <sup>^</sup>	Leasehold Improvement	Plant and machinery <sup>(3)</sup>	Furniture and fixtures	Office equipments	Vehicles	RoU Assets (refer note 45)	₹ Mn
									Total
<b>Cost</b>									
<b>As at April 1, 2020</b>	<b>192</b>	<b>1,383</b>	<b>1,235</b>	<b>867,324</b>	<b>1,696</b>	<b>2,245</b>	<b>1,386</b>	<b>287,531</b>	<b>1,162,992</b>
Additions	-	-	1	37,008	77	71	1	32,272	69,430
Disposals/Adjustments	-	(1)	(402)	(31,607)	(394)	(338)	(375)	(18,684)	(51,801)
<b>As at March 31, 2021</b>	<b>192</b>	<b>1,382</b>	<b>834</b>	<b>872,725</b>	<b>1,379</b>	<b>1,978</b>	<b>1,012</b>	<b>301,119</b>	<b>1,180,621</b>
Additions	-	-	-	40,205	8	70	-	73,801	114,084
Disposals/Adjustments	-	-	(21)	(10,727)	(102)	(169)	(223)	(12,567)	(23,809)
<b>As at March 31, 2022</b>	<b>192</b>	<b>1,382</b>	<b>813</b>	<b>902,203</b>	<b>1,285</b>	<b>1,879</b>	<b>789</b>	<b>362,353</b>	<b>1,270,896</b>
<b>Accumulated Depreciation</b>									
<b>As at April 1, 2020</b>	<b>-</b>	<b>348</b>	<b>994</b>	<b>465,763</b>	<b>1,431</b>	<b>1,948</b>	<b>1,014</b>	<b>84,442</b>	<b>555,940</b>
Depreciation charge for the year	-	70	47	75,697	170	196	160	61,754	138,094
Disposals/Adjustments <sup>(2)</sup>	-	-*	(332)	(23,797)	(368)	(318)	(308)	(11,967)	(37,090)
<b>As at March 31, 2021</b>	<b>-</b>	<b>418</b>	<b>709</b>	<b>517,663</b>	<b>1,233</b>	<b>1,826</b>	<b>866</b>	<b>134,229</b>	<b>656,944</b>
Depreciation charge for the Year	-	70	39	75,919	82	132	90	63,395	139,727
Disposals/Adjustments <sup>(2)</sup>	-	-	(20)	(10,118)	(90)	(166)	(202)	(3,749)	(14,345)
<b>As at March 31, 2022</b>	<b>-</b>	<b>488</b>	<b>728</b>	<b>583,464</b>	<b>1,225</b>	<b>1,792</b>	<b>754</b>	<b>193,875</b>	<b>782,326</b>
<b>Net Book Value</b>									
<b>As at March 31, 2022</b>	<b>192</b>	<b>894</b>	<b>85</b>	<b>318,739</b>	<b>60</b>	<b>87</b>	<b>35</b>	<b>168,478</b>	<b>488,570</b>
<b>As at March 31, 2021</b>	<b>192</b>	<b>964</b>	<b>125</b>	<b>355,062</b>	<b>146</b>	<b>152</b>	<b>146</b>	<b>166,890</b>	<b>523,677</b>

#### Footnotes:

- Refer note 21(C) for assets pledged as securities towards funded and non-funded facilities.
- Disposals/Adjustments include accelerated depreciation charge of ₹ 137 Mn (March 31, 2021 : ₹ 5,716 Mn) on account of network re-alignment and integration cost and disclosed under exceptional items (refer note 40).
- Plant & Machinery and CWIP includes certain assets acquired on extended credit terms for which the title will be transferred to the company upon final payment to the equipment suppliers as per the contract terms. Gross Block, Net Block and CWIP of such assets as on March 31, 2022 is ₹ 33,708 Mn, ₹ 25,262 Mn and ₹ 27 Mn respectively. (March 31, 2021 is ₹ 49,982 Mn, ₹ 39,805 Mn and ₹ 314 Mn respectively).

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

^ Include 's certain immovable properties acquired as part of past mergers and acquisitions registered in the name of erstwhile companies.

#### The following is ageing schedule of Capital work-in-progress :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>					
(i) Projects in progress	2,814	45	-	-	2,859
<b>Total</b>	<b>2,814</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>2,859</b>
<b>As at March 31, 2021</b>					
(i) Projects in progress	5,220	123	-	-	5,343
<b>Total</b>	<b>5,220</b>	<b>123</b>	<b>-</b>	<b>-</b>	<b>5,343</b>

Note - Project in Progress are reviewed by the management on regular basis and deployed as per business requirement.

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### NOTE 8: INTANGIBLE ASSETS

₹ Mn

Particulars	Entry / license fees and spectrum	Brand	Computer - Software	Total
<b>Cost</b>				
<b>As at April 1, 2020</b>	<b>1,528,792</b>	<b>25,945</b>	<b>19,293</b>	<b>1,574,030</b>
Additions	-	3	3,221	3,224
Disposals/Adjustments	-	-	(29)	(29)
<b>As at March 31, 2021</b>	<b>1,528,792</b>	<b>25,948</b>	<b>22,485</b>	<b>1,577,225</b>
Additions	20,071	-	1,860	21,931
Disposals/Adjustments	(18,421)	-	(5)	(18,426)
<b>As at March 31, 2022</b>	<b>1,530,442</b>	<b>25,948</b>	<b>24,340</b>	<b>1,580,730</b>
<b>Accumulated Amortisation</b>				
<b>As at April 1, 2020</b>	<b>361,955</b>	<b>2,936</b>	<b>15,606</b>	<b>380,497</b>
Amortisation charge for the year	86,259	1,841	2,868	90,968
Disposals/Adjustments	-	-	(28)	(28)
Impairment (refer note 41(ii))	-	7,246	-	7,246
<b>As at March 31, 2021</b>	<b>448,214</b>	<b>12,023</b>	<b>18,446</b>	<b>478,683</b>
Amortisation charge for the year	84,377	1,901	2,570	88,848
Disposals/Adjustments	(18,421)	-	(5)	(18,426)
<b>As at March 31, 2022</b>	<b>514,170</b>	<b>13,924</b>	<b>21,011</b>	<b>549,105</b>
<b>Net Book Value</b>				
<b>As at March 31, 2022</b>	<b>1,016,272</b>	<b>12,024</b>	<b>3,329</b>	<b>1,031,625</b>
<b>As at March 31, 2021</b>	<b>1,080,578</b>	<b>13,925</b>	<b>4,039</b>	<b>1,098,542</b>

#### Footnotes:

- Computer - software includes gross block of assets capitalised under finance lease ₹ 5,489 Mn (March 31, 2021: ₹ 5,489 Mn) and corresponding accumulated amortisation being ₹ 5,489 Mn (March 31, 2021 : ₹ 5,433 Mn).
- As at March 31, 2022, Entry / license fee and spectrum gross block ₹ 28,162 Mn and net block ₹ 11,253 Mn range from 1.91 years to 5.4 years and Entry / license fee and spectrum gross block ₹ 1,502,280 Mn and net block ₹ 1,005,019 Mn range from 8 years to 19.5 years.  
As at March 31, 2021, Entry / license fee and spectrum gross block ₹ 46,583 Mn and net block ₹ 18,517 Mn range from 0.4 years to 6.4 years and Entry / license fee and spectrum gross block ₹ 1,482,209 Mn and net block ₹ 1,062,061 Mn range from 9 years to 17.3 years.
- Refer note 21(C) for computer software pledged as securities towards funded and non-funded facilities.
- During the previous year, pursuant to the launch of V! brand, the company has reassessed the estimated useful life of Vodafone brand from 15 years to 10 years and taken an additional amortisation charge of ₹ 109 Mn (net of reduction on account of impairment amounting to ₹ 323 Mn) (refer note 41(ii)).

#### The following is ageing schedule of Intangible assets under development :

₹ Mn

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>					
Projects in progress	375	29	-	-	404
<b>Total</b>	<b>375</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>404</b>
<b>As at March 31, 2021</b>					
Projects in progress	63	-	-	-	63
<b>Total</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63</b>

Note - Project in Progress are reviewed by the management on regular basis and deployed as per business requirement.

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### NOTE 9: NON-CURRENT INVESTMENTS (UNQUOTED)

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>(A) Investments in Equity Instruments of Subsidiaries (at cost)</b>		
<b>Subsidiaries</b>		
Vodafone Idea Manpower Services Limited ('VIMSL') 50,000 fully paid equity shares of ₹ 10 each	1	1
Vodafone Idea Telecom Infrastructure Limited ('VITIL') 1,800,000 fully paid equity shares of ₹ 10 each	18	18
Vodafone Foundation ('VF') 200 fully paid equity shares of ₹ 10 each	-*	-*
Vodafone Idea Communication Systems Limited ('VICSL') 405,263,153 fully paid equity shares of ₹ 10 each	5,872	5,872
Vodafone Idea Business Services Limited ('VIBSL') 50,000 fully paid equity shares of ₹ 10 each	-*	-*
Vodafone m-pesa Limited ('VMPL') 237,099,380 fully paid equity shares of ₹ 10 each	5,231	5,231
Vodafone Idea Shared Services Limited ('VISSL') 2,000,000 fully paid equity shares of ₹ 10 each	20	20
You Broadband India Limited ('YBIL') 75,004,960 fully paid equity shares of ₹ 10 each	3,402	3,402
Vodafone Idea Technology Solutions Limited ('VITSL') 500,000 fully paid equity shares of ₹ 10 each	5	5
<b>Total investment in subsidiaries (A)</b>	<b>14,549</b>	<b>14,549</b>
<b>(B) Investments in Equity Instruments of Associate (at cost)</b>		
Aditya Birla Idea Payments Bank Limited (ABIPBL) 2,787,930,750 fully paid equity shares of ₹ 10 each	2,788	2,788
<b>Total investment in associate (B)</b>	<b>2,788</b>	<b>2,788</b>
<b>(C) Investments in Equity Instruments of Joint Ventures</b>		
(i) Firefly Networks Limited ('FNL') (FVTOCI) 1,000,000 fully paid equity shares of ₹ 10 each	10	10
<b>Total investment in joint ventures (C)</b>	<b>10</b>	<b>10</b>
<b>(D) Other Investments (FVTPL)</b>		
Equity Instrument	-*	-
<b>Total Other Investments (D)</b>	<b>-*</b>	<b>-</b>
<b>Total (A+B+C+D)</b>	<b>17,347</b>	<b>17,347</b>
<b>Less:</b>		
Provision for impairment of Investment (D) <sup>(1) &amp; (2)</sup>	14,462	14,462
<b>Total (A+B+C-D)</b>	<b>2,885</b>	<b>2,885</b>

\* Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

<sup>(1)</sup> In the earlier years, the Company has taken a provision for impairment amounting to ₹ 2,788 Mn towards its investment in ABIPBL.

<sup>(2)</sup> In the earlier years, the Company assessed the expected cash flows and the future plans of all its subsidiary Companies and accordingly, recorded a provision for impairment of ₹ 5,231 Mn, ₹ 4,300 Mn and ₹ 2,143 Mn for investment in VMPL, VICSL and YBIL respectively.

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### NOTE 10: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Deposits with body corporate and others (includes amount referred in note 56)		
- Considered Good	6,892	8,182
- Considered Doubtful	258	232
Deposits and balances with government authorities	114	45
Interest receivable	4	-
Margin money deposits <sup>(1)</sup>	690	4,601
Settlement assets (refer note 41(iv))	81,204	63,939
Other receivable from related party (refer note 56)	-	347
Long term loans to employees	-	1
	<b>89,162</b>	<b>77,347</b>
Allowance for doubtful advances (refer note 47)	(258)	(232)
<b>Total</b>	<b>88,904</b>	<b>77,115</b>

<sup>(1)</sup> Includes ₹ 675 Mn (March 31, 2021 : ₹ 4,600 Mn) given to avail bank guarantees and letter of credits apart from security provided as referred in note 21 (C)(ii).

### NOTE 11: OTHER NON-CURRENT ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Capital advances		
- Considered Good	11	5,775
- Considered Doubtful	28	32
Prepaid expenses	307	379
Advance income tax (net)	39,207	61,191
GST recoverable	176	1,286
Costs to obtain a contract with the customer (refer note 44)	10,593	5,166
Others (consisting mainly deposit against demands which are appealed against/subjudice)		
- Considered Good	60,198	60,733
- Considered Doubtful	1,396	1,393
	<b>111,916</b>	<b>135,955</b>
Allowance for doubtful advances (refer note 47)	(1,424)	(1,425)
<b>Total</b>	<b>110,492</b>	<b>134,530</b>

### NOTE 12: INVENTORIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Trading Goods	3	-
<b>Total</b>	<b>3</b>	<b>-</b>



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### NOTE 13: TRADE RECEIVABLES (UNSECURED, UNLESS OTHERWISE STATED) (INCLUDING AMOUNT REFERRED IN NOTE 56)

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Billed Receivable - Considered good	28,331	29,480
Billed Receivable - Credit impaired	1,227	1,235
Allowance for doubtful debts (refer note 47)	(10,412)	(10,920)
	<b>19,146</b>	<b>19,795</b>
Unbilled Receivables - Considered good	4,769	4,613
<b>Total</b>	<b>23,915</b>	<b>24,408</b>

Trade receivable are secured for amounts receivable from certain parties who have provided security deposits of ₹ 241 Mn (March 31, 2021 : ₹ 304 Mn).

The following is ageing schedule of trade receivables :

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>						
<b>Billed trade receivables</b>						
(i) Undisputed Trade receivables - considered good	16,224	1,794	3,668	3,120	3,243	28,049
(ii) Undisputed Trade Receivables – credit impaired	1	1	-	-	1,225	1,227
(iii) Disputed Trade receivables - considered good	-	-	-	-	282	282
	<b>16,225</b>	<b>1,795</b>	<b>3,668</b>	<b>3,120</b>	<b>4,750</b>	<b>29,558</b>
<b>Less : Allowance for doubtful trade receivables - Billed</b>						(10,412)
						<b>19,146</b>
<b>Trade receivables - Unbilled</b>						4,769
<b>Total</b>						<b>23,915</b>
<b>As at March 31, 2021</b>						
<b>Billed trade receivables</b>						
(i) Undisputed Trade receivables - considered good	14,510	3,856	4,246	3,722	2,864	29,198
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1,235	1,235
(iii) Disputed Trade receivables - considered good	-	-	-	-	282	282
	<b>14,510</b>	<b>3,856</b>	<b>4,246</b>	<b>3,722</b>	<b>4,381</b>	<b>30,715</b>
<b>Less : Allowance for doubtful trade receivables - Billed</b>						(10,920)
						<b>19,795</b>
<b>Trade receivables - Unbilled</b>						4,613
<b>Total</b>						<b>24,408</b>

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### NOTE 14: CASH AND CASH EQUIVALENTS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Cash on hand	32	29
Cheques on hand	65	174
Balances with banks		
- In current accounts	14,047	2,199
<b>Total</b>	<b>14,144</b>	<b>2,402</b>

### NOTE 15: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Margin money <sup>(1) &amp; (2)</sup>	19,634	17,731
Fixed deposits with banks having maturity of 3 to 12 months	2	2
Earmarked bank balance towards dividend	2	3
<b>Total</b>	<b>19,638</b>	<b>17,736</b>

<sup>(1)</sup> Includes fixed deposit of ₹ 4,274 Mn (March 31, 2021: ₹ 14,887 Mn) having maturity of 3 to 12 months held with banks as margin money deposit against bank guarantees and letter of credits issued by banks for a period ranging from 1 to 6 years (March 31, 2021: 1 to 7 years).

<sup>(2)</sup> Includes ₹ 18,510 Mn (March 31, 2021 : ₹ 16,594 Mn) given to avail bank guarantees and letter of credits apart from security provided as referred in note 21 (C)(ii).

### NOTE 16: LOANS TO SUBSIDIARIES, JOINT VENTURE AND OTHERS (UNSECURED, UNLESS OTHERWISE STATED)

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Loans to related parties (refer note 56)		
- Loans to Subsidiaries and Joint Venture <sup>(1)</sup>	6,658	9,085
Current portion of loans to employees	-	2
	<b>6,658</b>	<b>9,087</b>
Provision for impairment of loan <sup>(2)</sup>	(3,517)	(3,531)
<b>Total</b>	<b>3,141</b>	<b>5,556</b>

<sup>(1)</sup> Loans have been provided for general corporate purpose and repayable on demand. The loans to Subsidiaries is interest free. The interest rate for Joint Venture is ranging from 8.75% p.a. to 9.80% p.a. (March 31, 2021: 8.75% p.a. to 9.80% p.a.). Maximum loan outstanding during the year is ₹ 9,415 Mn (March 31, 2021: ₹ 11,941 Mn).

<sup>(2)</sup> Includes ₹ 2,630 Mn for loan to VIBSL (March 31, 2021: ₹ 2,630 Mn), ₹ 806 Mn for loan to VMPL (March 31, 2021: ₹ 806 Mn), ₹ 76 Mn for loan to VITSL (March 31, 2021: ₹ 90 Mn), ₹ 5 Mn for loan to VF (March 31, 2021: ₹ 5 Mn).

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### NOTE 17: OTHER CURRENT FINANCIAL ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Interest Receivable		
- Considered Good	436	341
- Considered Doubtful	2	2
Deposits with body corporate and others	4	-
Deposits and balances with government authorities <sup>(1)</sup>	23	1,518
Business consideration receivable (refer note 56)	44,310	46,579
Other receivables (including amount referred to in note 56)	289	253
	<b>45,064</b>	<b>48,693</b>
Allowance for doubtful advances (refer note 47)	(2)	(2)
<b>Total</b>	<b>45,062</b>	<b>48,691</b>

<sup>(1)</sup> Includes balance with DoT amounting to ₹ 23 Mn (March 31, 2021: ₹ 1,513 Mn).

### NOTE 18: OTHER CURRENT ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
GST recoverable		
- Considered Good	87,849	83,922
- Considered Doubtful	594	481
Prepaid expenses	1,766	3,181
Costs to obtain a contract with the customer (refer note 44)	11,511	2,862
Others		
- Considered Good	515	401
- Considered Doubtful	627	584
	<b>102,862</b>	<b>91,431</b>
Allowance for doubtful advances (refer note 47)	(1,221)	(1,065)
<b>Total</b>	<b>101,641</b>	<b>90,366</b>

### NOTE 19: EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022		As at March 31, 2021	
	Numbers	Amount ₹ Mn	Numbers	Amount ₹ Mn
<b>EQUITY SHARE CAPITAL</b>				
Authorised share capital				
Equity Shares of ₹ 10 each	70,000,000,000	700,000	48,500,000,000	485,000
Preference shares of ₹ 10 each	5,000,000,000	50,000	-	-
Redeemable cumulative non-convertible Preference shares of ₹ 10 Mn each	-	-	1,500	15,000
	<b>75,000,000,000</b>	<b>750,000</b>	<b>48,500,001,500</b>	<b>500,000</b>
<b>Issued, subscribed and paid-up share capital</b>				
Equity Shares of ₹10 each fully paid up	32,118,847,885	321,188	28,735,389,240	287,354
	<b>32,118,847,885</b>	<b>321,188</b>	<b>28,735,389,240</b>	<b>287,354</b>

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### (a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2022		As at March 31, 2021	
	Numbers	Amount ₹ Mn	Numbers	Amount ₹ Mn
Equity shares outstanding at the beginning of the year	28,735,389,240	287,354	28,735,389,240	287,354
Issue of equity shares (refer note 41(i))	3,383,458,645	33,834	-	-
Equity shares outstanding at the end of the year	32,118,847,885	321,188	28,735,389,240	287,354

### (b) Terms/ rights attached to issued, subscribed and paid up equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at March 31, 2022		As at March 31, 2021	
	Numbers	% holding in the class	Numbers	% holding in the class
<b>Equity shares of ₹ 10 each fully paid</b>				
Euro Pacific Securities Limited	5,165,621,444	16.08%	3,198,986,106	11.13%
Grasim Industries Limited	3,317,566,167	10.33%	3,317,566,167	11.55%
Oriana Investments Pte Ltd	2,993,171,886	9.32%	2,147,307,225	7.47%
Prime Metals Limited	2,756,484,727	8.58%	2,185,526,081	7.61%
Mobilvest	1,675,994,466	5.22%	1,675,994,466	5.83%
Vodafone Telecommunications (India) Limited	1,624,511,788	5.06%	1,624,511,788	5.65%
Trans Crystal Limited	1,461,143,311	4.55%	1,461,143,311	5.08%

### (d) Details of promoters holding shares in the Company

Name of the promoters	As at March 31, 2022			As at March 31, 2021		
	Numbers	% holding in the class	% change during the year	Numbers	% holding in the class	% change during the year
<b>Equity shares of ₹ 10 each fully paid</b>						
Euro Pacific Securities Ltd	5,165,621,444	16.08%	4.95%	3,198,986,106	11.13%	-
Grasim Industries Limited	3,317,566,167	10.33%	-1.22%	3,317,566,167	11.55%	-
Oriana Investments PTE LTD	2,993,171,886	9.32%	1.85%	2,147,307,225	7.47%	-
Prime Metals Ltd	2,756,484,727	8.58%	0.98%	2,185,526,081	7.61%	-
Mobilvest	1,675,994,466	5.22%	-0.61%	1,675,994,466	5.83%	-
Vodafone Telecommunications (India) Limited	1,624,511,788	5.06%	-0.60%	1,624,511,788	5.65%	-
Trans Crystal Ltd	1,461,143,311	4.55%	-0.54%	1,461,143,311	5.08%	-
Asian Telecommunications Investments (Mauritius) Limited	980,469,868	3.05%	-0.36%	980,469,868	3.41%	-
Elaine Investments PTE LTD	861,128,643	2.68%	-0.32%	861,128,643	3.00%	-
Al - Amin Investments Ltd.	812,744,186	2.53%	-0.30%	812,744,186	2.83%	-
Hindalco Industries Ltd.	751,119,164	2.34%	-0.28%	751,119,164	2.61%	-

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Name of the promoters	₹ Mn					
	As at March 31, 2022			As at March 31, 2021		
	Numbers	% holding in the class	% change during the year	Numbers	% holding in the class	% change during the year
CC II Mauritius INC	446,059,752	1.39%	-0.16%	446,059,752	1.55%	-
IGH Holdings Private Limited	407,528,454	1.27%	-0.15%	407,528,454	1.42%	-
Birla TMT Holdings Private Limited	353,798,538	1.10%	-0.13%	353,798,538	1.23%	-
Omega Telecom Holdings Private Limited	279,017,784	0.87%	-0.10%	279,017,784	0.97%	-
Pilani Investment And Industries Corporation Limited	109,028,530	0.34%	-0.04%	109,028,530	0.38%	-
Usha Martin Telematics Limited	91,123,113	0.28%	-0.03%	91,123,113	0.32%	-
Mr. Kumar Mangalam Birla	864,906	0.00%	0.00%	864,906	0.00%	-
<b>TOTAL</b>	<b>24,087,376,727</b>	<b>74.99%</b>	<b>2.95%</b>	<b>20,703,918,082</b>	<b>72.05%</b>	<b>-</b>

### (e) Shares reserved for issue under options

Refer note 49 for details of shares reserved for issue under the employee stock option scheme.

### NOTE 20: OTHER EQUITY

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>(i) Capital reserve<sup>(1)</sup></b>		
Opening balance	(97,462)	(97,462)
Change during the year	-	-
<b>Closing balance (A)</b>	<b>(97,462)</b>	<b>(97,462)</b>
<b>(ii) Capital reduction reserve<sup>(2)</sup></b>		
Opening balance	277,787	277,787
Change during the year	-	-
<b>Closing balance (B)</b>	<b>277,787</b>	<b>277,787</b>
<b>(iii) Debenture redemption reserve<sup>(3)</sup></b>		
Opening balance	4,408	4,408
Change during the year	-	-
<b>Closing balance (C)</b>	<b>4,408</b>	<b>4,408</b>
<b>(iv) Securities premium</b>		
Opening balance	1,084,698	1,084,698
Allotment of equity shares (net of share issue expenses of ₹ 3 Mn) (refer note 41(i))	11,163	-
<b>Closing balance (D)</b>	<b>1,095,861</b>	<b>1,084,698</b>
<b>(v) Amalgamation adjustment deficit account<sup>(4)</sup></b>		
Opening balance	(488,444)	(488,444)
Change during the year	-	-
<b>Closing balance (E)</b>	<b>(488,444)</b>	<b>(488,444)</b>
<b>(vi) General Reserve<sup>(5)</sup></b>		
Opening balance	22,256	22,256
Change during the year	-	-
<b>Closing balance (F)</b>	<b>22,256</b>	<b>22,256</b>

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Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>(vii) Retained Earnings</b>		
Opening balance	(1,481,132)	(1,018,850)
Net Profit/(Loss) for the year	(282,372)	(462,937)
Other Comprehensive Income/(Loss) recognised directly in retained earnings	89	360
Share-based payment expenses (refer note 49)	311	295
<b>Closing balance (G)</b>	<b>(1,763,104)</b>	<b>(1,481,132)</b>
<b>(viii) Employee stock options reserve</b>		
Opening balance	361	656
Share-based payment expenses (refer note 49)	(311)	(295)
<b>Closing balance (H)</b>	<b>50</b>	<b>361</b>
<b>(ix) Business restructuring reserve</b>		
Opening balance	25,409	25,409
Change during the year	-	-
<b>Closing balance (I)</b>	<b>25,409</b>	<b>25,409</b>
<b>(x) Reserve for equity Instrument through other comprehensive income</b>		
Opening balance	(12,311)	(7,799)
Other Comprehensive Income recognised directly in retained earnings	-	(4,512)
<b>Closing balance (J)</b>	<b>(12,311)</b>	<b>(12,311)</b>
<b>Total (A+B+C+D+E+F+G+H+I+J)</b>	<b>(935,550)</b>	<b>(664,430)</b>

(1) Capital reserve comprises of capital receipt, received as compensation from an erstwhile Joint Venture partner for failure to subscribe in the equity shares of VInL in earlier years, settlement liability created on merger of erstwhile Vodafone with the Company and amounts pursuant to merger of ABTL with the Company.

(2) Capital reduction reserve was created by VInL on distribution of VInL's share in Indus to share holders of VInL in accordance with capital reduction scheme. This reserve is not available for distribution as dividend.

(3) The Company has incurred losses during the current / previous year. Accordingly, the Company is not required to create any further DRR as per the Act and hence no DRR has been created during the year ended March 31, 2022 and March 31, 2021.

(4) The Company has accounted for the merger of VInL and VMSL with the Company under 'pooling of interest' method. Consequently, investment of VInL in VMSL, share capital of VInL and VMSL has been cancelled. The difference between the face value of shares issued by the Company and the value of shares and investment so cancelled has been recognized in Amalgamation Adjustment Deficit Account of ₹ (488,408) Mn. Also pursuant to merger of ITL with the Company, share capital of ITL and investment of the Company have been cancelled. The difference between equity of ITL and investment of the Company of ₹ (36) Mn has been recongized in Amalgamation Adjustment Deficit Account. From utilisation perspective, this is an unrestricted reserve.

(5) Includes ₹ 1,393 Mn is not available for distribution of dividend.

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### NOTE 21(A): LOANS FROM BANKS AND OTHERS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Secured Loans</b>		
<b>Term Loans</b>		
- Rupee loan from banks	13,103	49,325
<b>Total Secured loans (A)</b>	<b>13,103</b>	<b>49,325</b>
<b>Unsecured Loans</b>		
<b>Redeemable Non-Convertible Debentures (NCDs)</b>	14,954	14,934
<b>Term Loans</b>		
- Rupee loan from Others	306	587
<b>Total Unsecured Loans (B)</b>	<b>15,260</b>	<b>15,521</b>
<b>Total (A+B)</b>	<b>28,363</b>	<b>64,846</b>

### (B): DEFERRED PAYMENT OBLIGATIONS (UNSECURED)

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Deferred Payment Liabilities towards Spectrum	1,071,602	941,773
Deferred Payment obligation pursuant to AGR judgment (refer note 3)	659,534	567,522
Deferred Payment Others	9	14
<b>Total</b>	<b>1,731,145</b>	<b>1,509,309</b>

### (C) (i) Security clause

Type of Borrowing	Outstanding Secured Loan Amount		Security Offered
	As at March 31, 2022	As at March 31, 2021	
Rupee Loan	9,950	9,950	First pari passu charge on movable fixed assets of the company excluding <sup>(1)</sup> : a) Spectrum and Telecom licenses b) Vehicles upto ₹ 2,500 Mn and c) Passive telecom infrastructure
Rupee Loan	66,271	77,056	First charge pari passu on all the movable assets (including current/non current assets), immovable assets and intangible assets of the Company excluding <sup>(1)</sup> : a) Spectrum and Telecom Licenses b) Vehicles upto ₹ 2,500 Mn and c) Passive Telecom Infrastructure
Rupee Loan	5,000	-	First charge pari passu on all the movable assets and current assets of the Company excluding: a) Spectrum and Telecom Licenses b) Employee assets upto ₹ 2,500 Mn and c) Passive Telecom Infrastructure d) Cash margin provided against specific facility(present or future)
Rupee Loan	22,500	-	a) a first ranking pari-passu charge by way of hypothecation over all the Fiber Assets owned by one of the Group company (VITIL), the Current Assets in relation to such Fiber Assets and IRU Agreements entered into between VITIL and counter parties; b) an irrevocable and unconditional guarantee by VITIL by way of a Deed of Corporate Guarantee; c) a first ranking pari-passu mortgage of an Immovable Property situated at Jaipur, by way of deposit of title deeds. d) Extension charge on the Fixed deposits upto ₹10,000 Mn out of cash margin given to SBI
<b>Sub-Total</b>	<b>103,721</b>	<b>87,006</b>	
Unamortised upfront fees	(46)	-	
<b>Total</b>	<b>103,675</b>	<b>87,006</b>	

<sup>(1)</sup> Security offered does not cover properties / assets acquired pursuant to amalgamation of VMSL and VnL with the Company, RoU assets and assets to which the title will be transferred to the company on final payment.

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(C) (ii) The Company has also provided charge against certain assets excluding ROU assets and assets to which the title will be transferred to the company on final payment for availing non-fund based facility towards bank guarantees/letter of credit including guarantee to DoT with respect to deferred payment liabilities towards spectrum, one time spectrum charges and various performance/roll out obligations. The details of the same are as below:

Type of funding	Security Amount		Outstanding Facility Amount		Security Offered
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
	20,000	20,000	16,025	7,400	First Pari Passu charge on movable (including CWIP) and current assets of the Company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn and c) spectrum and telecom licenses
	24,250	24,250	19,908	24,250	Second pari passu charge on movable (including CWIP) and current assets of the Company <sup>(1)</sup>
	97,500	97,500	78,366	97,471	Second pari passu charge on movable (including CWIP) and current assets of the Company excluding <sup>(1)</sup> a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn and c) spectrum and telecom licenses
	3,000	3,000	319	402	Second pari passu charge on movable (including CWIP) assets of the Company <sup>(1)</sup>
	41,500	63,000	29,658	56,330	First pari passu charge on movable fixed assets of the Company acquired pursuant to amalgamation of VMSSL and VInL with the company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn c) spectrum and telecom licenses
Bank Guarantee and Letter of Credit	21,500	-	16,147	-	First pari passu charge on movable fixed assets of the Company acquired pursuant to amalgamation of VMSSL and VInL with the company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn c) spectrum and telecom licenses Charge on Fixed Deposit of ₹ 722 Mn
	19,350	19,350	19,346	19,346	a) a first ranking pari passu charge by way of hypothecation over all the Fiber Assets owned by one of the Group company (VITIL), the Current Assets in relation to such Fiber Assets and IRU Agreements entered into between VITIL and counter parties; b) an irrevocable and unconditional guarantee by VITIL by way of a Deed of Corporate Guarantee; and c) a first ranking pari passu mortgage of an Immovable Property situated at Jaipur, by way of deposit of title deeds. d) Charge on fixed deposit of ₹ 1,935 Mn
	5,142	5,142	4,839	4,907	First pari passu charge on movable fixed assets of the Company acquired pursuant to amalgamation of VMSSL and VInL with the company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn c) spectrum and telecom licenses Charge on fixed deposit of ₹ 363 Mn
	10,000	-	8,133	-	Charge on fixed deposit upto ₹10,000 Mn
<b>Total</b>	<b>242,242</b>	<b>232,242</b>	<b>192,741</b>	<b>210,106</b>	

Note: Apart from this, the Company also has unsecured bank guarantees and letter of credits of ₹ 30,031 Mn. (March 31, 2021: ₹ 38,006 Mn.)

<sup>(1)</sup> Security offered does not cover properties / assets acquired pursuant to amalgamation of VMSSL and VInL with the Company.

<sup>(2)</sup> Subsequent to the balance sheet date, Bank Guarantees amounting to ₹ 148,514 Mn with respect to deferred payment liabilities towards spectrum and others have been released by DOT.



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### (D) Repayment terms of loans from banks and others as on March 31, 2022

Type of Borrowing	Current maturities of loans from banks and others	Loans from banks and others excluding current maturities	Short term Loans from banks and others excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Secured Loans</b>					
a) Rupee Loan <sup>(1)</sup>	39,375	-	-	39,375	a) Repayable in 9 equal quarterly installments of 3.75% each of the total drawn amount starting June, 2022 b) Repayable in 8 equal quarterly installments of 5% each of the total drawn amount starting September, 2024 c) Repayable in 2 equal quarterly installments of 2.5% each of the total drawn amount starting September, 2026
b) Rupee Loan	-	9,950	-	9,950	Repayable in February, 2024
c) Rupee Loan <sup>(1)</sup>	25,500	-	-	25,500	Repayable in 17 equal quarterly installments starting June, 2022
d) Rupee Loan <sup>(1)</sup>	1,396	-	-	1,396	Repayable in June, 2026
e) Rupee Loan <sup>(2)</sup>	-	-	22,500	22,500	Repayable in June 2022
f) Rupee Loan	1,818	3,182	-	5,000	Repayable in 11 quarterly equal installments starting from June 2022
<b>Sub-Total</b>	<b>68,089</b>	<b>13,132</b>	<b>22,500</b>	<b>103,721</b>	
Unamortised upfront fees	(17)	(29)	-	(46)	
<b>Sub-Total (A)</b>	<b>68,072</b>	<b>13,103</b>	<b>22,500</b>	<b>103,675</b>	
<b>(ii) Unsecured Loans</b>					
a) Foreign currency Loan <sup>(1)</sup>	1,078	-	-	1,078	Repayable in 3 equal half yearly installments starting April, 2022
b) Foreign currency Loan <sup>(1)</sup>	3,813	-	-	3,813	Repayable in June 2022
c) Foreign currency Loan <sup>(1)</sup>	3,919	-	-	3,919	Repayable in July 2022
d) Rupee Term Loan <sup>(1)</sup>	40,000	-	-	40,000	Repayable in 4 equal quarterly installments starting September, 2022
e) Rupee Term Loan <sup>(1)</sup>	10,000	-	-	10,000	Repayable in 4 equal quarterly installments starting October 2022
f) Rupee Term Loan	281	306	-	587	Repayable in Half yearly installments starting from March 2022 to December 2023.
g) 10.90% Redeemable Non Convertible Debentures	-	15,000	-	15,000	Repayable in September, 2023
<b>Sub-Total</b>	<b>59,091</b>	<b>15,306</b>	<b>-</b>	<b>74,397</b>	
Unamortised upfront fees	-	(46)	-	(46)	
<b>Sub-Total (B)</b>	<b>59,091</b>	<b>15,260</b>	<b>-</b>	<b>74,351</b>	
<b>Grand Total (A+B)</b>	<b>127,163</b>	<b>28,363</b>	<b>22,500</b>	<b>178,026</b>	

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### (D) Repayment terms of loans from banks and others as on March 31, 2021

Type of Borrowing	Current maturities of loans from banks and others	Loans from bank and others excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Secured Loans</b>				
a) Rupee Loan <sup>(1)</sup>	6,250	39,375	45,625	a) ₹ 625 Mn is repayable in June, 2021 b) Repayable in 12 equal quarterly installments of 3.75% each of the total drawn amount starting September, 2021 c) Repayable in 8 equal quarterly installments of 5% each of the total drawn amount starting September, 2024 d) Repayable in 2 equal quarterly installments of 2.5% each of the total drawn amount starting September, 2026
b) Rupee Loan	-	9,950	9,950	Repayable in February, 2024
c) Rupee Loan <sup>(1)</sup>	30,000	-	30,000	Repayable in 20 equal quarterly installments starting September, 2021
d) Rupee Loan <sup>(1)</sup>	1,431	-	1,431	Repayable in June, 2026
<b>Sub-Total (A)</b>	<b>37,681</b>	<b>49,325</b>	<b>87,006</b>	
<b>(ii) Unsecured Loans</b>				
a) Foreign currency Loan <sup>(1)</sup>	1,741	-	1,741	Repayable in 5 equal half yearly installments starting April, 2021
b) Foreign currency Loan <sup>(1)</sup>	580	-	580	Repayable in May, 2021
c) Foreign currency Loan <sup>(1)</sup>	7,394	-	7,394	Repayable in 2 equal annual installments starting June, 2021
d) Foreign currency Loan <sup>(1)</sup>	7,599	-	7,599	Repayable in 2 equal annual installments starting July, 2021
e) Foreign currency Loan	-	-	-	Repaid
f) Rupee Term Loan <sup>(1)</sup>	40,000	-	40,000	Repayable in 4 equal quarterly installments starting September, 2022
g) Rupee Term Loan <sup>(1)</sup>	10,000	-	10,000	Repayable in 4 equal quarterly installments starting October 2022
h) Rupee Term Loan	913	587	1,500	Repayable in Half yearly installments starting from June 2021 to December 2023.
i) 7.57% Redeemable Non Convertible Debentures	15,000	-	15,000	Repayable in December, 2021
j) 7.77% Redeemable Non Convertible Debentures	15,000	-	15,000	Repayable in January, 2022
k) 8.04% Redeemable Non Convertible Debentures	20,000	-	20,000	Repayable in January, 2022
l) 8.03% Redeemable Non Convertible Debentures	5,000	-	5,000	Repayable in January, 2022
m) 8.03% Redeemable Non Convertible Debentures	5,000	-	5,000	Repayable in February, 2022
n) 10.90% Redeemable Non Convertible Debentures	-	15,000	15,000	Repayable in September, 2023
<b>Sub-Total</b>	<b>128,227</b>	<b>15,587</b>	<b>143,814</b>	
Unamortised upfront fees	(39)	(66)	(105)	
<b>Sub-Total (B)</b>	<b>128,188</b>	<b>15,521</b>	<b>143,709</b>	
<b>Grand Total (A+B)</b>	<b>165,869</b>	<b>64,846</b>	<b>230,715</b>	

<sup>(1)</sup> Some of the Company's loans are subjected to covenant clauses, whereby the Company is required to meet certain specified financial ratios. The Company has not met certain financial ratios for some of these arrangements, the gross outstanding amount for which as at March 31, 2022 was ₹ 125,080 Mn (March 31, 2021 ₹ 144,370 Mn). The Company has received waivers for loans amounting to ₹ NIL (March 31, 2021 ₹ 45,625 Mn). Accordingly, as at March 31, 2022 loans amounting to ₹ 68,131 Mn (March 31, 2021 ₹ 85,472 Mn) has been re-classified from non-current borrowings to current maturities of long term debt. As on the reporting date, none of the banks have approached for early repayment.

<sup>(2)</sup> Subsequent to the balance sheet date, the Company has repaid outstanding amount in April 2022.

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### (E) Repayment terms of deferred payment obligations as on March 31, 2022

Type of Borrowing	Current maturities of deferred payment obligations	Deferred payment obligations excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Deferred Payment Liability (DPL) towards spectrum acquired in (refer note 3)</b>				
a) November - 2012 auctions	-	12,997	12,997	Repayable in 6 equal annual installments starting December, 2025
b) February - 2014 auctions	-	254,119	254,119	a) ₹ 250,864 Mn and Interest thereon will be repaid in 7 equal annual installments starting March, 2026 b) ₹ 3,255 Mn and interest thereon will be repaid in 7 equal annual installments starting September, 2026
c) March - 2015 auctions	-	561,308	561,308	a) ₹ 559,527 Mn and Interest thereon will be repaid in 8 equal annual installments starting April, 2026 b) ₹ 1,781 Mn and Interest thereon will be repaid in 7 equal annual installments starting September, 2026
d) October - 2016 auctions	-	229,065	229,065	Repayable in 10 equal annual installments starting October, 2025
e) March - 2021 auctions	-	14,113	14,113	Repayable in 16 equal annual installments starting March, 2024
<b>Sub-Total (A)</b>	<b>-</b>	<b>1,071,602</b>	<b>1,071,602</b>	
<b>(ii) Deferred Payment obligation pursuant to AGR judgment (refer note 3) (B)</b>	<b>-</b>	<b>659,534</b>	<b>659,534</b>	Repayable in 6 equal annual installments (including interest thereon) starting March, 2026
<b>(iii) Deferred Payment Others (C)</b>	<b>6</b>	<b>9</b>	<b>15</b>	Repayable in monthly installment starting April, 2022
<b>Grand Total (A+B+C)</b>	<b>6</b>	<b>1,731,145</b>	<b>1,731,151</b>	

### (E) Repayment terms of Deferred payment obligations as on March 31, 2021

Type of Borrowing	Current maturities of Deferred payment obligations	Deferred payment obligations excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Deferred Payment Liability (DPL) towards spectrum acquired in (refer note 3)</b>				
a) November - 2012 auctions	752	11,090	11,842	Repayable in 10 equal annual installments starting December, 2021
b) February - 2014 auctions	12,306	218,711	231,017	a) ₹ 228,058 Mn and Interest thereon will be repaid in 11 equal annual installments starting March, 2022 b) ₹ 2,959 Mn and interest thereon will be repaid in 11 equal annual installments starting September, 2022
c) March - 2015 auctions	-	510,281	510,281	a) ₹ 508,661 Mn and Interest thereon will be repaid in 12 equal annual installments starting April, 2022 b) ₹ 1,620 Mn and Interest thereon will be repaid in 11 equal annual installments starting September, 2022
d) October - 2016 auctions	7,883	201,691	209,574	Repayable in 14 equal annual installments starting October, 2021
<b>Sub-Total (A)</b>	<b>20,941</b>	<b>941,773</b>	<b>962,714</b>	
<b>(ii) Deferred Payment obligation pursuant to AGR judgment (refer Note 3) (B)</b>	<b>42,081</b>	<b>567,522</b>	<b>609,603</b>	Repayable in 10 equal annual installments (including interest thereon) starting March, 2022
<b>(iii) Deferred Payment Others (C)</b>	<b>57</b>	<b>14</b>	<b>71</b>	a) ₹ 50 Mn is repayable in June, 2021 b) ₹ 21 Mn is repayable in monthly installment starting April, 2021
<b>Grand Total (A+B+C)</b>	<b>63,079</b>	<b>1,509,309</b>	<b>1,572,388</b>	

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(F) Interest rate for Rupee Term Loan ranges from 8.53% to 11.90% (March 31, 2021: from 8.53% to 11.40%). Foreign currency loan ranges from 1.65% to 1.69% (March 31, 2021: from 1.21% to 1.37%) and Deferred Payment obligations from 7.3% to 10% (March 31, 2021: from 8% to 10%).

#### NOTE 22: OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Security deposits	45	45
Payable for capital expenditure (includes amount referred in note 7(3))	1,459	13,234
Interest accrued but not due on deferred payment obligations	66,957	49,990
Derivative liabilities at fair value through profit or loss (forward contracts)	-	6
<b>Total</b>	<b>68,461</b>	<b>63,275</b>

#### NOTE 23: LONG TERM PROVISIONS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Gratuity (refer note 50)	71	75
Compensated absences	55	120
Asset retirement obligation (refer note 48)	68	66
<b>Total</b>	<b>194</b>	<b>261</b>

#### NOTE 24: OTHER NON-CURRENT LIABILITIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Deferred revenue	986	1,286
<b>Total</b>	<b>986</b>	<b>1,286</b>

#### NOTE 25: SHORT TERM BORROWINGS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Secured Loans</b>		
Short term loans from banks	22,500	-
Current maturities of loans from banks and others (refer notes 21(C) and 21(D))	68,072	37,681
<b>Unsecured Loans</b>		
Current maturities of loans from banks and others (refer notes 21(C) and 21(D))	59,091	128,188
Current maturities of Deferred Payment obligations (refer note 21(E))	6	63,079
Short term loan from Subsidiary Companies (refer note 56) <sup>(1)</sup>	1,562	730
<b>Total</b>	<b>151,231</b>	<b>229,678</b>

<sup>(1)</sup> Unsecured short term loan from its subsidiary company is repayable on demand on which variable interest rate is 4.01% p.a. (March 31, 2021 : 7% p.a.).

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**NOTE 26:****(A) THE FOLLOWING IS AGEING SCHEDULE OF TRADE PAYABLES :**

₹ Mn						
Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2022</b>						
(i) MSME	801	2,034	13	6	3	2,857
(ii) Others	16,669	33,329	9,467	6,456	2,799	68,720
	<b>17,470</b>	<b>35,363</b>	<b>9,480</b>	<b>6,462</b>	<b>2,802</b>	<b>71,577</b>
<b>Accrued expenses</b>						<b>62,516</b>
<b>Total</b>						<b>134,093</b>
Non Current						852
Current						133,241
<b>As at March 31, 2021</b>						
(i) MSME	468	518	13	6	10	1,015
(ii) Others	17,788	17,013	6,680	1,781	2,667	45,929
	<b>18,256</b>	<b>17,531</b>	<b>6,693</b>	<b>1,787</b>	<b>2,677</b>	<b>46,944</b>
<b>Accrued expenses</b>						<b>85,989</b>
<b>Total</b>						<b>132,933</b>
Non Current						1,266
Current						131,667

**(B) INFORMATION AS PER THE REQUIREMENT OF SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

₹ Mn		
Particulars	<b>As at March 31, 2022</b>	As at March 31, 2021
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	2,590	963
(ii) The interest due on above	111	21
<b>The total of (i) &amp; (ii)</b>	<b>2,701</b>	<b>984</b>
b) The amount of interest paid by the buyer in terms of section 16 of the Act	-	-
c) The amount of the payment made to the supplier beyond the appointed day during the accounting year	8,024	3,575
d) The amounts of interest accrued and remaining unpaid at the end of financial year	267	52
e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	109	14

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### NOTE 27: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Payable for capital expenditure (includes amount referred in note 7(3) and 56)	64,170	68,770
Accrual towards One Time Spectrum Charges (OTSC) (refer note 41(v))	49,572	43,898
Interest accrued but not due on borrowings	2,648	13,967
Unpaid dividend	2	3
Derivative liabilities at fair value through profit or loss (forward contracts)	102	434
Security deposits from customers and others	2,814	3,234
Settlement liabilities (refer note 41(iv))	17,265	-
<b>Total</b>	<b>136,573</b>	<b>130,306</b>

### NOTE 28: OTHER CURRENT LIABILITIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Deferred revenue and advance from customers <sup>(1)</sup>	27,613	24,334
Taxes, regulatory and statutory liabilities	46,581	37,867
<b>Total</b>	<b>74,194</b>	<b>62,201</b>

<sup>(1)</sup> Revenue recognised during the year from deferred revenue and advance from customers (contract liability) at the beginning of the year is ₹ 24,334 Mn (March 31, 2021: ₹ 26,192 Mn).

### NOTE 29: SHORT TERM PROVISIONS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Gratuity (refer note 50)	41	206
Compensated absences	49	120
Asset retirement obligation (refer note 48)	101	98
<b>Total</b>	<b>191</b>	<b>424</b>

### NOTE 30: OTHER OPERATING INCOME

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Liabilities no longer required written back	54	17
Miscellaneous receipts	129	121
<b>Total</b>	<b>183</b>	<b>138</b>

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### NOTE 31: OTHER INCOME

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income (including amounts referred in note 56)	795	1,065
Dividend Income (refer note 56)	-	1,115
Gain on Mutual Funds (including fair value gain/(loss))	180	404
<b>Total</b>	<b>975</b>	<b>2,584</b>

### NOTE 32: EMPLOYEE BENEFIT EXPENSES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	13,947	16,426
Contribution to provident, gratuity and other funds (refer note 50)	953	1,309
Share based payment expenses (ESOS) (refer note 49) <sup>(1)&amp;(2)</sup>	(16)	35
Staff welfare	706	807
Recruitment and training	24	6
<b>Total</b>	<b>15,614</b>	<b>18,583</b>

<sup>(1)</sup> Includes charge/(credit) on account of cash settled ESOP of ₹ 6 Mn (March 31, 2021: ₹ 35 Mn).

<sup>(2)</sup> The charge for the year is net of reversal on account of cancellation of unvested options of ₹ Nil Mn (March 31, 2021: ₹ \* Mn).

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

### NOTE 33: NETWORK EXPENSES AND IT OUTSOURCING COST

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Security service charges	269	162
Power and fuel	56,553	55,356
Repairs and maintenance - plant and machinery (includes amount referred in note 56)	24,139	22,800
Lease line and connectivity charges	11,684	10,147
Network insurance	625	587
Other network operating expenses	1,914	1,515
IT outsourcing cost	6,606	7,374
<b>Total</b>	<b>101,790</b>	<b>97,941</b>

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### NOTE 34: LICENSE FEES AND SPECTRUM USAGE CHARGES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
License fees	28,996	28,582
Spectrum usage charges	12,868	12,709
<b>Total</b>	<b>41,864</b>	<b>41,291</b>

### NOTE 35: ROAMING AND ACCESS CHARGES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Roaming charges	2,286	2,588
Access charges	26,869	50,318
<b>Total</b>	<b>29,155</b>	<b>52,906</b>

### NOTE 36: SUBSCRIBER ACQUISITION AND SERVICING EXPENDITURE

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost of sim and recharge vouchers	1,053	696
Commission to dealers and others (refer note 44)	13,962	11,825
Customer verification expenses (refer note 44)	294	348
Collection, telecalling and servicing expenses	3,889	4,561
Customer retention and customer loyalty expenses	1,000	727
<b>Total</b>	<b>20,198</b>	<b>18,157</b>

### NOTE 37: ADVERTISEMENT, BUSINESS PROMOTION EXPENDITURE AND CONTENT COST

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Advertisement & Business promotion expenditure	3,557	1,987
Content cost	6,231	5,881
<b>Total</b>	<b>9,788</b>	<b>7,868</b>



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### NOTE 38: OTHER EXPENSES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance		
Building	93	102
Others	2,582	2,846
Other insurance	3	15
Rates and taxes	126	236
Electricity	321	372
Printing and stationery	43	34
Communication expenses	85	68
Travelling and conveyance	371	300
Bad debts / advances written off	1,723	3,810
Allowances for doubtful debts and advances (refer note 47)	(12)	(659)
Gain on disposal of property, plant and equipment (net)	(649)	-
Directors Sitting Fees (refer note 56)	10	8
Legal and professional charges	543	570
Audit fees (refer note 51)	73	73
CSR expenditure (refer note 52)	-	3
Support service charges (refer note 56)	2,746	6,192
Miscellaneous expenses	1,399	1,726
<b>Total</b>	<b>9,457</b>	<b>15,696</b>

### NOTE 39: FINANCE COSTS

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest		
- On fixed period loan	20,685	23,232
- On deferred payment liability towards spectrum	101,665	91,730
- On deferred payment obligation pursuant to AGR judgement (refer note 3)	49,931	33,705
- On lease liabilities (refer note 45)	18,937	20,783
- On One Time Spectrum Charges (refer note 41(v))	5,674	-
- Others	5,857	5,923
Other finance charges	5,588	5,269
<b>Total interest expense</b>	<b>208,337</b>	<b>180,642</b>
Exchange difference (net)	1,736	(1,995)
Loss / (gain) on derivatives (including fair value changes on derivatives)	(339)	1,269
<b>Total</b>	<b>209,734</b>	<b>179,916</b>

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### NOTE 40: EXCEPTIONAL ITEMS (NET)

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit /(Loss) on sale of stake in Indus (refer note 41(iii))	-	(170)
Integration and merger related costs	764	(9,907)
Impact due to cancellation of lease contract on network re-alignment	-	1,696
Provision for additional depreciation / impairment of assets		
- Accelerated depreciation on network re-alignment / re-farming	(137)	(5,716)
- Impairment of Brand (refer note 41(ii))	-	(7,246)
License fees and SUC on AGR (refer note 3)	-	(194,405)
One Time Spectrum Charges (refer note 41(v))	-	(5,027)
Provision for impairment towards its loan receivable/investment in subsidiaries / associate	-	(10)
Others	-	(251)
<b>Total</b>	<b>627</b>	<b>(221,036)</b>

<sup>(1)</sup> Amounts given in above Exceptional items (net) represents Exceptional gain/(loss)

### NOTE 41: SIGNIFICANT TRANSACTIONS / NEW DEVELOPMENTS

- i) During the year, after the requisite Board and shareholders' approval, the Company, had allotted 3,383,458,645 Equity Shares of face value of ₹ 10 each to entities forming part of promoter / promoter group on preferential basis at an issue price of ₹ 13.30 per Equity Share, including a premium of ₹ 3.30/- per, aggregating ₹ 45,000 Mn.
- ii) During the previous year, the Company unveiled a new integrated brand identity V! on September 4, 2020. As a result, with the expected increased usage of Vi, the utility of its existing intangible asset of Vodafone brand is expected to decline over the contractual useful life of the asset as a result of gradual diminution in company's inclination on developing & maintaining the existing Vodafone Marks, though VIL continues to have the right to use it over its remaining life. Accordingly, the company has carried out an impairment assessment as well as re-estimated the useful economic life of its intangible asset of Vodafone brand as at the integrated brand launch date.

As per the assessment, the carrying value of the intangible asset stands at ₹ 15,039 Mn as at the integrated brand launch date. The value has been determined using Relief from Royalty method applying a royalty rate to the royalty base to estimate the royalty payments over the remaining life of the asset. Royalty base represents revenue attributable to Vodafone Marks over the remaining life of the asset.

As a result of this analysis, during the previous year an impairment charge of ₹ 7,246 Mn has been recognized as exceptional item.

Key assumptions used in value-in-use calculations:

- Revenue CAGR considered for royalty base: Based on the estimated growth rate over the five-year budget period for the Company and thereafter based on terminal growth rate of 5%
  - Royalty rate: Pre-tax Royalty rate charged for use of brand in India
  - Discount rate: Based on the risk-free rate for a ten-year Government bonds benchmark yields as on the valuation date adjusted for risk premium to reflect both the increased risk of investing in equities and the systematic risk of VIL. In making this adjustment, inputs required are the equity market risk premium and the risk adjustment beta applied to reflect the risk of the specific operating company relative to the market as a whole. Discount rate considered for determining the value is 13.1%.
- iii) The scheme of amalgamation and arrangement between Bharti Infratel Limited and Indus became effective from November 19, 2020. Pursuant to aforesaid, Indus was dissolved without being wound up and got merged with Bharti Infratel Limited (the merged entity is thereafter named as Indus Towers Limited) on a going concern basis.

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On November 19, 2020, the Company sold its 11.15% stake in Indus for a consideration of ₹ 37,472 Mn (net of expenses incurred on sale) to Bharti Infratel Limited. As the carrying value of the investment as on such date was ₹ 37,642 Mn, during the previous year, the Company recognised a loss on sale amounting to ₹ 170 Mn as exceptional items.

- iv) The Implementation Agreement entered between the parties defines a settlement mechanism between the Company and the promoters of erstwhile Vodafone India Limited ("VInL") for any cash inflow/outflow that could possibly arise to/by the Company towards settlement of certain outstanding disputes pertaining to the period until May 31, 2018. As at March 31, 2021, the Company had recognized settlement assets amounting to ₹ 63,939 Mn. The settlement of such assets recognized was to happen periodically based on cash inflow/ outflow incurred as defined in the Implementation Agreement starting from June 2020 but not beyond June 2025. During current year, the Company has classified ₹ 17,265 Mn received mainly on account of income tax refund for the period July 2020 till March 2022 as payable to VInL promoters on the next settlement date as per the terms of the Implementation Agreement. The balance receivables of ₹ 81,204 Mn as at March 31, 2022 is subject to further cash inflows / outflows incurred till June, 2025 and hence classified as non-current financial assets. The Company believes that it will be able to recover this amount in terms of the Implementation Agreement even if the related liabilities are paid beyond June, 2025 based on the deferment of AGR dues availed by the Company. The settlement between the Company and VInL promoters for any cash outflow that could possibly arise shall be subject to requisite approvals, if any, which would be evaluated/obtained at the time of actual settlement if any, to VInL promoters.

- v) One Time Spectrum Charges (Beyond 4.4 MHz):

During the financial year 2012-13, DoT had issued demand notices towards one time spectrum charges (hereinafter referred to as "OTSC"). The demands on the Company i.e. formerly Idea Cellular Limited have been challenged by way of writ petition before the Bombay High Court (BHC). The erstwhile Vodafone India Limited (VInL) and erstwhile Vodafone Mobile Services Limited (VMSL) had challenged the demands before the TDSAT. The grounds taken before BHC and TDSAT were different though.

On July 4, 2019 TDSAT in its judgement quashed the demands levied on erstwhile VInL and VMSL and inter alia held that:

- For spectrum up to 6.2 MHz, OTSC is not chargeable and accordingly demand set aside.
- For spectrum beyond 6.2 MHz,
  - Allotment after July 1, 2008, OTSC shall be levied from the date of allotment of such spectrum.
  - Allotment before July 1, 2008, OTSC shall be levied from January 1, 2013 till the date of expiry of license.
  - Conditions as stated in para 1 (v) of the impugned order dated December 28, 2012 (given hereunder) is arbitrary and illegal and is accordingly set aside, i.e. Upfront charges in the case of spectrum holding in multiple bands (900 MHz and 1800 MHz), spectrum in 1800 MHz band will be accounted for first, towards the limit of 4.4 MHz was held to be arbitrary and illegal and accordingly set aside.

Thereafter VIL filed an appeal before the Hon'ble Supreme Court against the TDSAT judgement. On March 16, 2020, Hon'ble Supreme Court dismissed the petition filed by the Company challenging the levy of OTSC beyond 6.2 MHz. Following the dismissal of the Company's appeal by the Hon'ble Supreme Court on March 16, 2020, the Company is yet to receive any demand from DoT in line with the TDSAT order. VIL proceedings before the BHC in respect of Idea Cellular Limited remains pending. DoT preferred an appeal against the entire TDSAT judgement and sought stay on the impugned judgement. The matter is currently pending before the Hon'ble Supreme Court.

The Company, on prudence basis, has recognized a charge for spectrum holding beyond 6.2 MHz in line with the TDSAT order. The amount has been calculated basis the demand computation that was raised by DoT in July 2018 for Bank Guarantees to be given for OTSC in line with the M&A guidelines at the time of merger. Accordingly, an amount of ₹ 5,027 Mn has been recognised as exceptional items during the year ended March 31, 2021. During the year ended March 31, 2022, the Company has recognised ₹ 5,674 Mn as interest cost in Profit and loss account.

### NOTE 42: CAPITAL AND OTHER COMMITMENTS

Estimated amount of commitments are as follows:

- Spectrum won in auctions and not assigned to the Company as on the balance sheet date ₹ Nil Mn (March 31, 2021: ₹ 14,224).
- Contracts remaining to be executed for capital expenditure (net of advances) and not provided for are ₹ 26,866 Mn (March 31, 2021: ₹ 24,596 Mn).
- Long term contracts remaining to be executed including early termination commitments (if any) are ₹ 32,557 Mn (March 31, 2021: ₹ 40,920 Mn).

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### NOTE 43: CONTINGENT LIABILITIES NOT PROVIDED FOR

#### A) Licensing Disputes:

- i. OTSC (Less than 4.4 MHz) - ₹ 38,570 Mn (March 31, 2021: ₹ 38,570 Mn):

In FY 2015-16 erstwhile VMSL received demands from DoT towards One time spectrum charges for less than 4.4 MHz pursuant to the transfer of licenses of certain subsidiaries amounting to ₹ 33,495 Mn. The Company believes the charges levied by DoT are not tenable, since the merger guidelines are not applicable considering that the said merger did not involve any intra-circle merger and did not result in increase in spectrum holding of the Company. The Demand is challenged and remains sub-judice at TDSAT.

Also, in FY 2015-16, erstwhile VMSL received demand from DoT towards extension of license of Tamil Nadu circle for making it co-terminus with license of Chennai circle amounting to ₹ 5,075 Mn. The Company believes the charges levied by DoT are not tenable, considering the merger of licenses is as per the guidelines issued by DoT in 2005 and as such does not get covered under as per clause 3 (i) and (m) of the M&A guidelines dated February 20, 2014. The Demand is challenged and remains sub-judice at TDSAT.

- ii. Other Licensing Disputes – ₹ 93,911 Mn (March 31, 2021: ₹ 70,648 Mn):

- In December 2016, the Company had challenged the TRAI recommendation of levying penalty for allegedly denying points of interconnect (Pols) to Reliance Jio, citing Telecom Regulatory Authority of India's (TRAI) move "arbitrary and biased" and one which exceeds the sectorial watchdog's jurisdiction. The Hon'ble Delhi High Court suggested that DoT could consider objections raised by VIL in its plea along with the TRAI recommendations. During the year on September 29, 2021, DoT had issued demand notice for imposition of financial penalty amounting to ₹ 20,000 Mn for violation of the provisions of license agreements and standards of Quality of service of basic telephone service (wireline) and SMTS regulation 2009. The Company has filed petition with Hon'ble TDSAT on October 11, 2021 against the demand raised by DoT. In the recent hearing, interim relief has been granted stating no coercive action shall be taken for realisation of penalty under challenge. The matter is yet to be concluded.
- Additional demands towards AGR dues for which the company has written to DoT requesting corrections of certain computational errors, admissible pass-through not considered based on the principles laid down in the AGR judgement (Refer note 3)
- Disputes relating to alleged non-compliance of licensing conditions & other disputes with DoT (including those towards CAF Audit and EMF), either filed by or against the Company and pending before Hon'ble Supreme Court / TDSAT.
- Demands on account of alleged violations in license conditions relating to amalgamation of erstwhile Spice Communications Limited currently sub-judice before the Hon'ble TDSAT.
- Demand with respect to upfront spectrum amounts for continuation of services from February 2, 2012 till various dates in the service areas where the licenses were quashed following the Hon'ble Supreme Court Order.

In October 2015, DoT issued interim guidelines, wherein Microwave Spectrum held by expired /expiring licenses was declared as being held on a provisional basis subject to final outcome of DoT's decision on recommendation by TRAI on the allocation and pricing of Microwave Spectrum. The interim guidelines issued by DoT are not in line with the understanding provided during the earlier auctions as part of Notice Inviting Application (NIA) for the spectrum auction. Basis the interim guidelines, DoT has instructed the Company to provide an undertaking that the pricing and allocation decisions of DoT would be considered final in this respect. The Company has not provided the said undertaking or signed the agreement being against the express and binding confirmations under NIA. Further TDSAT vide its order dated March 13, 2019 set aside the Impugned guidelines and stated 2006 rates hold to be valid, which should be applied from future date as and when notified by DoT as per the judgment. The Hon'ble Supreme Court vide its order dated November 8, 2019 stayed the TDSAT order and directed the Company to furnish bank guarantee till the next date of hearing. Accordingly, the implication of the said order is not considered in these financial statements.

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### B) Other Matters not acknowledge as debts

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Income tax matters (see note i below)	14,889	14,208
Sales tax and entertainment tax matters (see note ii below)	2,064	2,087
Service tax/Goods and Service Tax (GST) matters (see note iii below)	16,051	16,826
Entry tax and customs matters (see note iv below)	5,135	5,148
Other claims (see note v below)	28,273	23,308
<b>Total</b>	<b>66,412</b>	<b>61,577</b>

i. Income Tax Matters (including Tax deducted at source)

- Appeals filed by the Company against the demands raised by the Income Tax Authorities relates to disputes on non-applicability of tax deductions at source on prepaid margin allowed to prepaid distributors, disputes relating to denial of tax holiday benefit from certain business receipts etc.

The above matters contested by the Company are pending at various appellate authorities against the tax authorities.

ii. Sales Tax and Entertainment Tax

- Sales Tax demands mainly relates to the demands raised by the VAT/Sales Tax authorities of few states on SIM cards etc. on which the Company has already paid Service Tax.
- Demand of tax for non-submission of Declaration forms viz. C forms & F forms in stipulated time limit.
- In one state entertainment tax is being demanded on revenue from value added services.

iii. Service Tax/ Goods and Service Tax (GST)

Service Tax / GST demands mainly relates to the following matters:

- Denial of Cenvat credit related to Towers and Shelters.
- Disallowance of Cenvat Credit on input services viewed as ineligible credit.
- Demand of service tax on SMS termination charges, Demand of service tax on reversal of input credit on various matters.

iv. Entry Tax and Customs

- Entry Tax disputes pertains to classification / valuation of goods.
- Demand of customs duty/anti-dumping duty on dispute relating to classification issue. The Company has challenged these demands which are pending at various forums.

v. Other claims not acknowledged as debts

- Mainly include consumer forum cases, disputed matters with local Municipal Corporation, Regional Provident Fund Commission and other miscellaneous sub-judiced disputes.
- Disputes with the Electricity Boards on matters relating classification of Mobility Towers into Industrial v/s commercial

The future cash outflows in respect of the above matters are determinable only on receipt of judgments/ decisions from such forums/ authorities. Further, based on the Company's evaluation, it believes that it is not probable that the claims will materialise and therefore, no provision has been recognised for the above.

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### NOTE 44

The Company incurs certain costs to obtain or fulfil contracts with customers. Effective October 1, 2020 the Company, based on its updated estimate of the average customer life, has deferred subscriber acquisition cost in accordance with its policy. Such cost will be amortized over the average expected customer relationship period. The financial impact of this change has resulted in decrease of the Company's loss before and after tax by ₹ 14,076 Mn for the year ended March 31, 2022 (March 31, 2021: ₹ 8,028 Mn).

	For the year ended March 31, 2022	For the year ended March 31, 2021
₹ Mn		
<b>Costs to obtain a contract with the customer</b>		
<b>Opening Balance</b>	<b>8,028</b>	-
Costs incurred	20,969	8,773
Less: Cost amortized	(6,893)	(745)
<b>Closing balance</b>	<b>22,104</b>	<b>8,028</b>
Current	11,511	2,862
Non-current	10,593	5,166

### NOTE 45: LEASES

#### (a) Company as lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	₹ Mn				
Particulars	Land & Building	Cell sites	IRU	Others	Total
<b>As at April 1, 2020</b>	<b>12,022</b>	<b>166,516</b>	<b>21,169</b>	<b>3,382</b>	<b>203,089</b>
Additions <sup>(1)</sup>	2,241	26,463	3,568	-	32,272
Deletions/Adjustments <sup>(2)</sup>	(1,123)	(5,585)	(7)	(2)	(6,717)
Depreciation expenses	(3,300)	(54,933)	(2,199)	(1,322)	(61,754)
<b>As at March 31, 2021</b>	<b>9,840</b>	<b>132,461</b>	<b>22,531</b>	<b>2,058</b>	<b>166,890</b>
Additions <sup>(1)</sup>	1,710	69,506	2,585	-	73,801
Deletions/Adjustments <sup>(2)</sup>	(259)	(8,553)	(1)	(5)	(8,818)
Depreciation expenses	(2,736)	(57,292)	(2,381)	(986)	(63,395)
<b>As at March 31, 2022</b>	<b>8,555</b>	<b>136,122</b>	<b>22,734</b>	<b>1,067</b>	<b>168,478</b>

<sup>(1)</sup> Additions includes addition of new leases, modification to existing lease in form of lease extension or restriction.

<sup>(2)</sup> Includes reversal of ₹ Nil Mn (March 31, 2021: charge of ₹ 536 Mn) on accelerated depreciation on account of network re-alignment.

Set out below are the carrying amounts of lease liabilities (included under lease liabilities) and the movements during the year:

	₹ Mn	
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Opening Balance</b>	<b>213,871</b>	<b>268,530</b>
Additions	73,831	32,205
Accretion of interest	18,937	20,783
Payments	(69,284)	(95,446)
Deletion	(9,110)	(12,201)
<b>Closing Balance</b>	<b>228,245</b>	<b>213,871</b>
Current	113,989	104,447
Non-current	114,256	109,424

The maturity analysis of lease liabilities are disclosed in note 59

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The following are the amounts recognized in statement of profit and loss:

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation	63,395	61,754
Interest expense on lease liabilities	18,937	20,783
Exceptional items (net)	-	(1,696)
<b>Total amount recognised in profit and loss</b>	<b>82,332</b>	<b>80,841</b>

### NOTE 46: DETAILS OF FOREIGN CURRENCY EXPOSURES

#### A. Hedged by a Derivative Instrument

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Foreign Currency Loan</b>		
Foreign Currency Loan in USD	111	86
Equivalent ₹ of Foreign Currency Loan <sup>(1)</sup>	8,607	6,703
<b>Trade Payables and Other financial liability</b>		
Trade Payables and Other financial liability in USD	30	54
Interest accrued but not due on Foreign Currency Loans in USD	-*	-*
Equivalent ₹ of Trade Payables and Other financial liability <sup>(1)</sup>	2,327	4,070

<sup>(1)</sup> Amount in ₹ represents conversion at hedged rate

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

#### B. Not hedged by a Derivative Instrument or otherwise

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Foreign Currency Loan</b>		
Foreign Currency Loan in USD	5	149
Equivalent ₹ of Foreign Currency Loan <sup>(1)</sup>	359	10,976
<b>Trade Payables and Other financial liability</b>		
In USD	511	718
In EURO <sup>(2)</sup>	159	140
In GBP	12	15
In Other Currency	-*	-*
Equivalent ₹ of Trade Payables and other financial liability in Foreign Currency <sup>(1)</sup>	53,295	66,317
<b>Trade Receivables</b>		
In USD	77	73
In EURO	-*	-*
In GBP	-*	3
<b>Balances with banks-In current accounts in USD</b>	<b>1</b>	<b>1</b>
Equivalent ₹ of Trade Receivables and bank balances in Foreign Currency <sup>(1)</sup>	5,880	5,828

<sup>(1)</sup> Amount in ₹ represents conversion at closing rate

<sup>(2)</sup> An amount of EUR 51 Mn (₹ 4,278 Mn) is outstanding as at March 31, 2022 as payable to Vodafone Group Services Limited ("VGSL") towards Group service charges. As per RBI guidelines in respect to payment for import of goods and services, the Company may require approval from Authorised Dealer (Bank) / RBI at the time of making this payment, as the amount is outstanding for more than 3 years as on the signing date of these financial statements. The Company is confident of receiving such approvals at the time of actual remittance of such outstanding dues to VGSL.

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

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### Note 47: MOVEMENT OF ALLOWANCES FOR DOUBTFUL DEBTS/ADVANCES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	13,644	14,303
Charged to Statement of Profit and Loss (net) (refer note 38)	(12)	(659)
<b>Closing Balance</b>	<b>13,632</b>	<b>13,644</b>

<sup>(1)</sup> Includes charge of ₹ 329 Mn for doubtful advance income tax.

### NOTE 48: ASSET RETIREMENT OBLIGATION

The Company installs equipment's on leased premises to provide seamless connectivity to its customers. In certain cases, the Company may have to incur some cost to remove such equipment's on leased premises. Estimated costs to be incurred for restoration is capitalised along with the assets. The movement of provision as required in Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets" is given below:

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Opening balance	164	169
Unwinding of discount	5	9
Utilisation	-	(14)
<b>Closing balance</b>	<b>169</b>	<b>164</b>
Current	101	98
Non-current	68	66

### NOTE 49: SHARE BASED PAYMENT

#### a) Employee stock option plan - options granted by Vodafone Idea Limited

The Company has granted stock options under the employee stock option scheme (ESOS) 2006 and stock options as well as restricted stock units (RSU's) under ESOS 2013 to the eligible employees of the Company and its subsidiaries from time to time. These options, subject to fulfilment of vesting conditions, would vest in 4 equal annual instalments after one year of the grant and the RSU's will vest after 3 years from the date of grant. The maximum period for exercise of options and RSU's is 5 years from the date of vesting. Each option and RSU when exercised would be converted into one fully paid-up equity share of ₹ 10 each of the Company. The options granted under ESOS 2006 and options as well as RSUs granted under the ESOS 2013 scheme carry no rights to dividends and no voting rights till the date of exercise.

The fair value of the share options is estimated at the grant date using Black and Scholes Model, taking into account the terms and conditions upon which the share options were granted.

There were no modifications to the options/RSU's during the year ended March 31, 2022 and March 31, 2021. During the year, certain unvested options were cancelled on non-fulfilment of certain vesting conditions under ESOS 2013. In the current year, ₹ 311 Mn (March 31, 2021: ₹ 295) is adjusted against Retained earnings in respect of cancellation/expiration of vested stock option.



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As at year ended March 31, 2022 and March 31, 2021 details and movements of the outstanding options are as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
<b>i) Options granted under ESOS 2013</b>				
Options outstanding at the beginning of the year	4,178,076	125.58	8,440,553	126.41
Options cancelled during the year	131,607	124.05	604,868	128.10
Options expired during the year	3,727,225	126.67	3,657,609	127.08
Options outstanding at the end of the year	319,244	113.50	4,178,076	125.58
Options exercisable at the end of the year	319,244	113.50	4,178,076	125.58
Range of exercise price of outstanding options (₹)	110.45 - 150.10		110.45 - 150.10	
Remaining contractual life of outstanding options (months)	25		18	
<b>ii) RSU's granted under ESOS 2013</b>				
RSU's outstanding at the beginning of the year	1,039,012	10.00	1,283,659	10.00
RSU's cancelled during the year	106,231	10.00	244,647	10.00
Options expired during the year	565,157	10.00	-	-
RSU's outstanding at the end of the year	367,624	10.00	1,039,012	10.00
RSU's exercisable at the end of the year	367,624	10.00	1,039,012	10.00
Range of exercise price of outstanding RSU's (₹)	10.00		10.00	
Remaining contractual life of outstanding RSU's (months)	24		21	

The fair value of each option and RSU is estimated on the date of grant / re-pricing based on the following assumptions:

Particulars	Options ESOS 2013			
	Tranche I	Tranche II	Tranche III	Tranche IV
	(11/02/14)	(29/12/14)	(21/1/16)	(11/2/17)
	Stock Options	Stock Options	Stock Options	Stock Options
Dividend yield (%)	0.24	0.40	0.51	0.54
Expected life	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months
Risk free interest rate (%)	8.81 - 8.95	8.04 - 8.06	7.42 - 7.66	6.68 - 7.03
Volatility (%)	34.13-44.81	34.28-42.65	34.24 - 35.33	36.37 - 38.87
Market price on date of grant (₹)	126.45	150.10	117.55	110.45
Fair Value	60.51 <sup>^</sup>	66.27	48.97	46.39

<sup>^</sup>As on the date of transition from IGAAP to Ind AS on April 1, 2015, first instalment of the grant were vested and therefore, in line with the exemptions under Ind AS 101, the expense of such share based payment has been recognised based on intrinsic value.

Particulars	RSU's ESOS 2013			
	Tranche I	Tranche II	Tranche III	Tranche IV
	Restricted Stock Units	Restricted Stock Units	Restricted Stock Units	Restricted Stock Units
Dividend yield (%)	0.24	0.40	0.51	0.54
Expected life	5 yrs 6 months	5 yrs 6 months	5 yrs 6 months	5 yrs 6 months
Risk free interest rate (%)	8.91	8.05	7.60	6.94
Volatility (%)	43.95	35.66	34.24	37.21
Market price on date of grant (₹)	126.45	150.10	117.55	110.45
Fair Value	118.70	140.41	107.71	100.40

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The volatility is based on the historical share price over a period similar to the expected life of the options.

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### b) Employee stock option plan – options granted by Vodafone Group Plc

#### i. Global Long Term Incentive (“GLTI”):

GLTI is a restricted share plan granted to incentivise delivery of sustained performance over the long term plan to selected employees of the Group. In addition to the 3 years vesting conditions, options of certain schemes would depend on achievement of the performance conditions of the Group and Vodafone Group Plc. The plans are administered by Vodafone Group Plc. and the information disclosed is to the extent available.

#### ii. Global Long Term Retention (“GLTR”):

GLTR plan is a restricted share plan granted as a retention tool to selected employees in the middle management. The options vest in 3 years/2 years after the grant date provided the employees remain in the continued employment of the Group during the vesting period.

#### iii. Vodafone Global Incentive Plan (“VGIP”):

VGIP is a restricted plan granted as an investment plan to senior management. These options vest in 3 years after the grant date provided the employee remains in the continued employment of the Group during the vesting period. The vesting of these options were subject to satisfaction of performance conditions of the Group and Vodafone Group Plc and market based condition, based on total shareholder return (TSR), which is taken into account when calculating the fair value of share awards. The valuation for the TSR is based on Vodafone’s ranking within the same group of companies, where possible over the past five years.

Particulars	₹ Mn	
	As at March 31, 2022 No. of Options	As at March 31, 2021 No. of Options
<b>i) Options granted under GLTI / GLTR</b>		
Options exercisable at the beginning of the year	271,591	3,133,524
Options granted during the year	-	14,921
Options forfeited during the year	-	584,706
Options exercised during the year	220,959	2,292,148
Options outstanding at the end of the year	50,632	271,591
Options exercisable at the end of the year	50,632	271,591
Weighted average remaining contractual life of the options outstanding at the end of the year (months)	3	5
<b>ii) Options granted under VGIP</b>		
Options exercisable at the beginning of the year	-	875,693
Options forfeited during the year	-	435,902
Options exercised during the year	-	439,791
Weighted average remaining contractual life of the options outstanding at the end of the year (months)	-	-

The exercise price is Nil and hence the weighted average exercise price is not disclosed. Liability at the end of the year March 31, 2022 is ₹ 6 Mn (March 31, 2021: ₹ 30 Mn).

Fair value of option is measured by deducting the present value of expected dividend cash flows over the life of the awards from the share price as at the grant date.

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The fair value of each option is mentioned below:

₹ Mn				
Particulars	Grant date	Expected life	Market price on date of grant/re-pricing (₹)	Fair Value on the date of grant (₹)
GLTI/GLTR	26/06/18	3 years / 2 years continuous employment for GLTR and performance conditions apply as noted in (i) above for GLTI	166	166
	26/06/19	3 years / 2 years continuous employment for GLTR and performance conditions apply as noted in (i) above for GLTI	110	110
	26/06/20	3 years / 2 years continuous employment for GLTR and performance conditions apply as noted in (i) above for GLTI	117	116
VGIP	4/8/2017 <sup>(1)</sup>	3 years continuous employment for VGIP and performance conditions apply as noted in (iii) above for VGIP	189	91
	04/08/17	3 years continuous employment for VGIP and performance conditions apply as noted in (iii) above for VGIP	189	188

<sup>(1)</sup> Vesting percentage: 48.30%

### NOTE 50: EMPLOYEE BENEFITS

#### A. Defined Benefit Plan (Gratuity)

##### General description and benefits of the plan

The Company operates a defined benefit final salary gratuity plan through a trust. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The benefit is payable on termination of service or retirement, whichever is earlier. The employees do not contribute towards this plan and the full cost of providing these benefits are borne by the Company.

##### Regulatory framework, funding arrangement and governance of the Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax act and rules. The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan vis-a-vis settlements. The trustees of the trust are responsible for the overall governance of the plan. The trustees of the plan have outsourced the investment management of the fund to insurance companies which in turn manage these funds as per the mandate provided to them by the trustees and applicable insurance and other regulations.

##### Inherent risks

The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Group that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The following tables summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for gratuity:

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Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Amount recognised in Balance Sheet</b>		
Present value of obligations as at the end of the year	2,511	2,621
Fair value of plan assets as at the end of the year	2,399	2,340
Net Funded Obligation	112	281
Net Asset/(Liability) recognised in Balance Sheet	(112)	(281)
Net Asset/(Liability) recognised in Balance Sheet is bifurcated as		
- Long term provision	(71)	(75)
- Short term provision	(41)	(206)

Sr. Particulars No	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1 Reconciliation of Net Defined Benefit Obligation</b>		
Opening Net Defined Benefit liability/(asset)	281	2,950
Expense charged to statement of profit & loss	272	532
Expense / (Income) charged to OCI	(89)	(360)
Employer contributions	(319)	(2,750)
Benefits Paid	(1)	(56)
Liabilities assumed/(settled) <sup>(1)</sup>	(32)	(35)
Closing Net Defined Benefit liability/(asset)	<b>112</b>	<b>281</b>
<b>2 Reconciliation of Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	2,621	3,286
Current Service cost	260	347
Interest on Defined Benefit Obligation	160	214
Actuarial (Gain)/Loss arising from change in financial assumptions	(57)	20
Actuarial (Gain)/Loss arising from change in demographic assumptions	(18)	-
Actuarial (Gain)/Loss arising on account of experience changes	34	(255)
Benefits paid	(457)	(956)
Liabilities assumed/(settled) <sup>(1)</sup>	(32)	(35)
Closing Defined Benefit Obligation	<b>2,511</b>	<b>2,621</b>
<b>3 Reconciliation of plan assets</b>		
Opening fair value of plan assets	2,340	336
Employer contributions	319	2,750
Interest on plan assets	148	29
Re measurements due to		
- Actual return on plan assets less expected interest on plan assets	48	125
Benefits paid	(456)	(900)
Closing fair value of plan assets	<b>2,399</b>	<b>2,340</b>

<sup>(1)</sup>On account of inter group transfer.

## NOTES

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Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows:

Sr. Particulars No.	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1 Expenses Recognised in the Statement of Profit &amp; Loss</b>		
Current Service cost	260	347
Interest on Net Defined Benefit liability/(asset)	12	185
Expenses recognised in the Statement of Profit & Loss	<b>272</b>	<b>532</b>
<b>2 Amount recorded as Other Comprehensive Income (OCI)</b>		
Re measurement during the year due to		
- Changes in financial assumptions	(57)	20
- Changes in demographic assumptions	(18)	-
- Experience adjustments	34	(255)
- Return on plan assets (excluding amounts included in net interest expense)	(48)	(125)
Remeasurement (gain)/loss recognised in OCI	<b>(89)</b>	<b>(360)</b>

The principal assumptions used in determining gratuity obligations are shown below:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021
Discount rate	6.85%		6.55%
Future salary increases <sup>(1)</sup>	8.00%		8.00%
Attrition rate	30 years & below - 30%		30 years & below - 30%
	31-40 years - 20%		31-40 years - 15%
	41 years & above - 8%		41 years & above - 8%
Mortality rate during employment	As per Indian Assured Lives Mortality (2012-14) Table		As per Indian Assured Lives Mortality (2012-14) Table
Disability	Leaving service due to disability is included in the provision made for all causes of leaving service.		

<sup>(1)</sup>The estimates of future salary increase considered takes into account inflation, seniority, promotion and other relevant factors.

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation is as below:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Discount Rate	Salary escalation Rate	Discount Rate	Salary escalation Rate
Impact of increase in 50 bps on DBO	(3.65%)	3.72%	(3.70%)	3.84%
Impact of decrease in 50 bps on DBO	3.83%	(3.58%)	3.96%	(3.63%)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

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The following payments are expected contributions to the defined benefit plan in future years:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within the next 12 months	142	206

Disaggregation details of plan assets (% allocation):

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Insurer Managed Funds <sup>(1)</sup>	2,399	2,340

<sup>(1)</sup>The funds are managed by Insurers and they do not provide breakup of plan assets by investment type.

#### Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

₹ Mn

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expected benefits for year 1	318	386
Expected benefits for year 2	248	220
Expected benefits for year 3	200	211
Expected benefits for year 4	195	182
Expected benefits for year 5 and above	2,680	2,719

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.47 years (March 31, 2021: 7.74 years).

#### B. Defined contribution plans:

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers' contribution to provident and other fund	633	712
Employers' contribution to superannuation fund	48	65

C. The Company operates its gratuity superannuation plan through separate trust which is administered and managed by the Trustees. As on March 31, 2022 and As on March 31, 2021, the contribution towards the plans have been invested in Insurer Managed funds and bank balance.

#### NOTE 51: AUDITOR'S REMUNERATION

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory Audit Fees	73	73
Certification and Other services (included in Legal and Professional Charges)	6	5
Out of pocket expenses (included in Misc. Expenses)	-*	1
<b>Total Remuneration</b>	<b>79</b>	<b>79</b>

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

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### NOTE 52: EXPENDITURE FOR CORPORATE SOCIAL RESPONSIBILITY

- a) Gross amount required to be spent by the Company during the year is ₹ Nil (March 31, 2021: ₹ Nil).  
 b) Amount spent for the year ended March 31, 2021:

				₹ Mn
Sr. No.	Particulars	Amount Paid	Amount Payable	Total
1	Education	2	-	2
2	Sanitation	1	-	1
	<b>Total</b>	<b>3</b>	<b>-</b>	<b>3</b>

During the previous year, the Company has accrued an amount of ₹ 229 Mn as exceptional items towards amount short spent on CSR activities in earlier years. The same needs to be spent over a period of 2 years starting April 1, 2021. During the Current year, out of the above, the Company has contributed ₹ 114 Mn to Vodafone Foundation (a Company formed for CSR activities). Further, during the year, the Company has contributed ₹ 91 Mn (March 31, 2021: ₹ 273 Mn) to Vodafone Foundation accrued in the earlier years. The details for amount contributed is as below:

				₹ Mn
Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
1	Healthcare	77	8	
2	Education	13	106	
3	Agriculture	73	112	
4	Others	42	47	
	<b>Total</b>	<b>205</b>	<b>273</b>	

### NOTE 53: INCOME TAX EXPENSES

- (a) Major components of tax expense

				₹ Mn
Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021	
<b>Current Tax</b>				
Adjustments for tax of prior periods <sup>(1)</sup>		-	(208)	
<b>Total Current Tax Expense (A)</b>		<b>-</b>	<b>(208)</b>	
<b>Deferred Tax</b>				
Relating to addition & reversal of temporary differences		-	-	
Relating to derecognition of tax credits		-	-	
<b>Total Deferred Tax Expense (B)</b>		<b>-</b>	<b>-</b>	
<b>Total Tax Expense (A+B)</b>		<b>-</b>	<b>(208)</b>	
<b>Income tax effect of equity instruments through OCI and re-measurement gains/(losses) on defined benefit plans taken to OCI</b>		<b>-</b>	<b>-</b>	

<sup>(1)</sup>During the financial year 2020-21, the Company has opted for Vivad Se Vishwas (VsV) Scheme to settle some of its long pending litigations pertaining to Corporate tax and TDS related matters. Accordingly, write back of excess tax provision/write off amounts of ₹ 208 Mn (net) have been considered where settlement has been agreed and Form 3 / 5 has been issued by the Department for such VsV applications.

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### b) Reconciliation of average effective tax rate and applicable tax rate

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss before income tax expense	(282,372)	(463,145)
<b>Applicable Tax Rate</b>	<b>34.94%</b>	<b>34.94%</b>
Increase/reduction in taxes on account of:		
Effect of unrecognised business loss including reversal of previously recognised DTA on business losses	(45.38)%	(41.33)%
Effects of expenses/income that are not deductible/considered in determining the taxable profits	10.44%	7.29%
Other Items	0.00%	(0.86)%
<b>Effective Tax Rate</b>	<b>0.00%</b>	<b>0.04%</b>

(c) The Company has not recognized deferred tax assets in respect of carried forward tax losses and unabsorbed depreciation amounting to ₹ 1,950,701 Mn as of March 31, 2022 (March 31, 2021: ₹ 1,584,003 Mn). The aforesaid tax losses and unabsorbed depreciation will lapse in the subsequent years as follows:

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Within 0-5 years	-	-
From 5-10 years	914,907	801,065
Unlimited	1,035,794	782,938
<b>Total</b>	<b>1,950,701</b>	<b>1,584,003</b>

The Company has also not recognised deferred tax on MAT credit of ₹ 25,699 Mn, ₹ 2,631 Mn is expiring within 0-5 years, ₹ 9,730 Mn is expiring within 5-10 years and ₹ 13,338 Mn is expiring beyond 10 years. (During the year ended March 31, 2021, the Company had not recognised deferred tax on MAT credit of ₹ 25,699 Mn, ₹ 3,496 Mn is expiring within 0-5 years and ₹ 22,203 Mn is expiring within 5-10 years).

### NOTE 54: MOVEMENT IN DEFERRED TAX

Particulars	₹ Mn								
	As at April 1, 2020	Recognised in			As at March 31, 2021	Recognised in			As at March 31, 2022
		Profit and Loss	OCI	Other Equity		Profit and Loss	OCI	Other Equity	
<b>Liabilities</b>									
Depreciation & Amortisation (including RoU Assets)	217,118	(29,992)	-	-	187,126	(28,357)	-	-	158,769
Effects of remeasuring financial instruments under Ind AS	2,844	(73)	-	-	2,771	(148)	-	-	2,623
Investment in Subsidiaries, JVs and associates	9,497	(9,497)	-	-	-	-	-	-	-
Others	-	-	-	-	-	2,805	-	-	2,805
<b>Total (A)</b>	<b>229,459</b>	<b>(39,562)</b>	<b>-</b>	<b>-</b>	<b>189,897</b>	<b>(25,700)</b>	<b>-</b>	<b>-</b>	<b>164,197</b>



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₹ Mn

Particulars	As at April 1, 2020	Recognised in			As at March 31, 2021	Recognised in			As at March 31, 2022
		Profit and Loss	OCI	Other Equity		Profit and Loss	OCI	Other Equity	
<b>Assets</b>									
Tax Losses	125,268	(20,195)	-	-	105,073	(37,294)	-	-	67,779
Expenses allowable on Payment Basis	4,830	(2,490)	-	-	2,340	6,640	-	-	8,980
Provisions for doubtful debts/ advances (including lease liability)	98,992	(16,759)	-	-	82,233	5,122	-	-	87,355
Others	369	(118)	-	-	251	(168)	-	-	83
<b>Total (B)</b>	<b>229,459</b>	<b>(39,562)</b>	<b>-</b>	<b>-</b>	<b>189,897</b>	<b>(25,700)</b>	<b>-</b>	<b>-</b>	<b>164,197</b>
<b>Net Deferred Tax Liabilities/ (assets) (A-B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As per Financials :</b>									
<b>Deferred Tax Asset</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTE 55: BASIC & DILUTED EARNINGS/ (LOSS) PER SHARE**

₹ Mn

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Nominal value of per equity share	10/-	10/-
Profit/(Loss) after Tax	(282,372)	(462,937)
Profit/(Loss) attributable to equity shareholders	(282,372)	(462,937)
Weighted average number of equity shares outstanding during the year	28,744,658,990	28,735,389,240
Basic earnings/(loss) per share	(9.82)	(16.11)
Dilutive effect on weighted average number of equity shares outstanding during the year	*	*
Weighted average number of diluted equity shares	28,744,658,990	28,735,389,240
Diluted earnings/(loss) per share	(9.82)	(16.11)

\*As the Company has incurred loss during the year, dilutive effect on weighted average number of shares would have an anti-dilutive impact and hence, not considered.

**NOTE 56: RELATED PARTY TRANSACTIONS**

The related parties where control, joint control and significant influence exists are subsidiaries, joint venture and associates respectively. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director whether executive or otherwise.

**List of subsidiaries**

Relationship	Related Party
Subsidiaries	Vodafone Idea Communication Systems Limited
	Vodafone Idea Business Services Limited
	Vodafone Foundation
	Vodafone Idea Shared Services Limited

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Relationship	Related Party
Subsidiaries	Vodafone m-pesa Limited
	Vodafone Idea Technology Solutions Limited
	Vodafone Idea Telecom Infrastructure Limited
	You System Integration Private Limited (merged with You Broadband India Limited with effect from March 15, 2021)
	You Broadband India Limited
	Connect (India) Mobile Technologies Private Limited
	Vodafone Idea Manpower Services Limited

### Apart from the above, the Company has transactions with the below related parties

Relationship	Related Party
Joint Venture (JV)	Indus Towers Limited <sup>(1)</sup> (till November 18, 2020)
	Firefly Networks Limited
Associate	Aditya Birla Idea Payments Bank Limited
	Grasim Industries Limited
	Hindalco Industries Limited
	Euro Pacific Securities Limited
	Prime Metals Limited
	Mobilvest
	Vodafone Telecommunications (India) Limited
	Omega Telecom Holdings Private Limited
	Telecom Investment India Private Limited (merged with Omega Telecom Holdings Private Limited, effective from July 4, 2020)
	Asian Telecommunications Investments (Mauritius) Limited
Promoter Group <sup>(2)</sup>	Al-Amin Investments Limited
	Jaykay Finholding (India) Private Limited (merged with Omega Telecom Holdings Private Limited, effective from July 4, 2020)
	CCII (Mauritius) Inc.
	Usha Martin Telematics Private Limited
	Pilani Investment And Industries Corporation Limited
	Elaine Investments PTE Limited
	Oriana Investments PTE Limited
	Birla TMT Holdings Private Limited
	IGH Holdings Private Limited
	Trans Crystal Limited
Entities having significant influence [includes Subsidiaries of the entity to which the Company is a JV]	Aditya Birla PE Advisors Private Limited
	Aditya Birla Finance Limited
	Aditya Birla Capital Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Health Insurance Company Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla Insurance Brokers Limited

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<b>Relationship</b>	<b>Related Party</b>
	Aditya Birla Management Corporation Private Limited
	Aditya Birla Money Limited
	Aditya Birla Money Mart Limited (ABMML)
	Aditya Birla Wellness Private Limited
	Aditya Birla Capital Technology Services Limited
	Aditya Birla Renewables Limited
	Aditya Birla Science & Technology Company Private Limited
	Aditya Birla New Age Private Limited
	Aditya Birla Power Composites Limited
	Birla Brothers Private Limited
	Interglobe Hotels Private Limited
	Aditya Birla Sun Life AMC Limited
	Aditya Birla Sun Life Insurance Company Limited
	Cable & Wireless Networks India Private Limited
	Cable & Wireless Worldwide Limited
	Cable and Wireless (India) Limited
	Gotan Lime Stone Khanij Udyog Private Limited
	Harish Cement Limited
	Hindalco-Almex Aerospace Limited
Entities having significant influence [includes Subsidiaries of the entity to which the Company is a JV]	Indus Towers Limited <sup>(1)</sup> (effective from November 19, 2020)
	Star Super Cement Industry LLC, UAE
	Vodafone Global Network Limited
	Ultratech Cement Limited
	Vodafone Group PLC
	Vodafone Limited
	Vodafone Enterprise Global Limited
	Vodafone India Services Private Limited
	Vodafone Network Pty Limited
	Vodafone New Zealand Limited
	Vodafone International Services LLC
	Vodafone Libertel B.V.
	Vodafone Telekomunikasyon A.S
	Vodafone Gmbh
	Vodafone Italia S.P.A.
	Vodafone Ireland Limited
	Vodafone Espana S.A.U.
	Vodacom (Pty) Limited
	Vodafone-Panafon Hellenic Telecommunications Company S.A.
	Vodafone Romania S.A
	Vodafone Magyarorszag (ZRT)
	Vodacom Lesotho (Pty) Limited

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Relationship	Related Party
	Vodafone Albania Sh.A
	Vodafone Czech Republic A.S.
	Vodafone Enterprise Europe (UK) Limited
	Vodafone US Inc.
	Vodafone UK Foundation
	Safaricom PLC
	Vodafone Portugal Comunicacoes Pessoais, S.A.
	Vodafone Malta Limited
	Vodafone Net İletişim Hizmetleri A.Ş.
	Vodacom Tanzania PLC.
	Vodacom Congo (RDC) S.A.
	Ghana Telecommunications Company Limited
	Vodafone Group Services Limited
	VM, SA (Vodafone Mozambique)
	Vodafone Enterprise Singapore Pte. Limited
	Vodafone Global Enterprise Limited
Entities having significant influence [includes Subsidiaries of the entity to which the Company is a JV]	Vodafone Roaming Services S.À R.L
	Vodafone Procurement Company S.À R.L
	Vodacom Group Limited
	A V Metals Inc.
	AAPC India Hotel Management Private Limited
	Accent Hotels Private Limited
	Bhubaneswari Coal Mining Limited
	Caddie Hotels Private Limited
	Cerebrus Consultants Private Limited
	Goa Glass Fibre Limited
	InterGlobe Enterprises Private Limited
	Interglobe Technology Quotient Private Limited
	Omega Healthcare Management Services Private Limited
	Srilanand Mansions Private Limited
	Triguna Hospitality Ventures (India) Private Limited
	Vodafone Global Services Private Limited
	Wheelsemi Private Limited
	Cable & Wireless Global (India) Private Limited
	Mr. Kumar Mangalam Birla
	Mr. Himanshu Kapania (Chairman)
	Mr. Ravinder Takkar (Managing Director & CEO)
Key Management Personnel (KMP)	Mr. Akshaya Moondra (CFO)
	Mr. Arun Thiagarajan (Independent Director)
	Ms. Neena Gupta (Independent Director)
	Mr. Arun Adhikari (Independent Director)

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<b>Relationship</b>	<b>Related Party</b>
Key Management Personnel (KMP)	Mr. Ashwani Windlass (Independent Director)
	Mr. Krishnan Ramachandran (Independent Director)
	Mr. Suresh Vaswani (Independent Director)
	Mr. Sunil Sood (Appointed on February 24, 2021)*
	Mr. Diego Massidda (Appointed on February 24, 2021)*
	Mr. Sushil Agarwal (Appointed on August 04, 2021)*
	Mr. Krishna Kishore Maheshwari (Appointed on March 03, 2022)*
Entities under common control	G.D Birla Medical Research & Education Foundation
	Svatantra Microfin Private Limited
	Birla Institute of Technology and Science Company
	Mahan Coal Limited
Trust <sup>(3)</sup>	Vodafone Idea Limited Employees Group Gratuity Fund
	Vodafone Idea Limited Employees Superannuation Scheme
	Vodafone Idea Manpower Services Limited Employees Group Gratuity Scheme
	Hutchison Max Telecom Limited Superannuation Fund

<sup>(1)</sup>Effective from November 19, 2020, Indus Towers Limited (“Indus”) merged with and into Bharti Infratel Limited (“BIL”). The merged entity is hereafter named as Indus Towers Limited “Indus”. Pursuant to this merger, the relationship of the Company with Indus Tower Limited has changed from Joint Venture (till November 18, 2020) to Entities having significant influence (from November 19, 2020).

<sup>(2)</sup> As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

<sup>(3)</sup>Transaction with trust includes contribution to provident fund, pension, gratuity and superannuation funds and refer note 50 for information on transaction with post-employment benefit plans mentioned above.

\* No transactions during the year

**A. Transactions with Related Parties for the year ended March 31, 2022 and year ended March 31, 2021**

<b>Particulars</b>	₹ Mn						
	<b>Associate</b>	<b>Entities having significant influence</b>	<b>Joint Ventures</b>	<b>KMP</b>	<b>Promoter</b>	<b>Entities under common control</b>	<b>Subsidiaries</b>
Sale of Service	-	1,779	-*	-	55	3	211
	(4)	(3,186)	(5)	-	(83)	(2)	(201)
Purchase of Service	-	96,930 <sup>^,#</sup>	68 <sup>^</sup>	-	-	-	10,337
	-*	(35,794) <sup>^,#</sup>	(51,508) <sup>^</sup>	-	-	-	(8,849)
Remuneration <sup>(1)</sup>	-	-	-	54	-	-	-
	-	-	-	(67)	-	-	-
Directors' sitting fees paid	-	-	-	10	-	-	-
	-	-	-	(8)	-	-	-
Interest expense	-	-	-	-	-	-	22
	-	-	-	-	-	-	(88)
Expenses incurred on behalf of	-	36	21	-	-	-	73
	-	(52)	-	-	-	-	(136)
Expenses incurred on Company's behalf by	-	-	-	-	-	-	29
	-	(44)	-	-	-	-	(21)
Receipt of money towards Settlement Asset	-	-	-	-	-	-	-
	-	-	-	-	(19,748)	-	-

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₹ Mn

Particulars	Associate	Entities having significant influence	Joint Ventures	KMP	Promoter	Entities under common control	Subsidiaries
Proceeds from allotment of Equity Shares	-	-	-	-	45,000	-	-
Payment made on behalf of	-	-	-	-	-	-	32
	-	-	-	-	-	-	(353)
Payment Received on behalf of	-	-	-	-	-	-	888
	-	-	-	-	-	-	(1,534)
Sale of Fixed Assets	-	-	-	-	-	-	2
	-	-	-	-	-	-	(1)
Purchase of Fixed Assets	-	-	-	-	-	-	-*
	-	-	-	-	-	-	(1)
Purchase of Intangible Assets	-	-	-	-	-	-	-
	-	-	-	-	-	-	(3)
Insurance premium (including advance given)	-	14	-	-	-	-	-
	-	(62)	-	-	-	-	-
Loan given during the year	-	-	-	-	-	-	330
	-	-	-	-	-	-	-
Loan repaid during the year	-	-	-	-	-	-	860
	-	-	-	-	-	-	(2,110)
Loan repayment received	-	-	8	-	-	-	2,749
	-	-	-	-	-	-	(2,856)
Interest Income	-	-	-*	-	-	-	-
	-	-	(1)	-	-	-	-
Dividend Received	-	-	-	-	-	-	-
	-	-	(1,115)	-	-	-	-
Donations Given	-	-	-	-	-	-	205
	-	-	-	-	-	-	(273)
Loan taken during the year	-	-	-	-	-	-	1,692
	-	-	-	-	-	-	(1,620)
Business Consideration received	-	-	-	-	-	-	2,269
	-	-	-	-	-	-	-

(Figures in bracket are for the year ended March 31, 2021)

### B. Balances with Related Parties

₹ Mn

Particulars	Associate	Entities having significant influence	Joint Ventures	KMP	Promoter	Entities under common control	Subsidiaries
Trade and Other Receivables	-	998	-*	-	8	1	88
	(7)	(2,206)	-	-	(15)	(1)	(56)
Trade and Other Payables	-	94,751	-	-	-	-	4,157
	-	(58,234)	-	-	-	-	(1,775)
Lease Liability (included in Other non-current financial liabilities and Other current financial liabilities)	-	104,729	-	-	-	-	-
	-	(104,514)	-	-	-	-	-

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Particulars	₹ Mn						
	Associate	Entities having significant influence	Joint Ventures	KMP	Promoter	Entities under common control	Subsidiaries
Deposits Given (included in Other Non Current Financial Assets)	-	1,594	-	-	-	-	900
	-	(1,590)	-	-	-	-	(900)
Other Current Assets (included in Other Current Financial Assets)	-	-	-	-	-	-	-
	-	(73)	-	-	-	-	-
Business Consideration Receivable	-	-	-	-	-	-	44,310
	-	-	-	-	-	-	(46,579)
Interest Accrued but not due (receivable)	-	-	-	-	-	-	15
	-	-	-	-	-	-	(15)
Remuneration payable	-	-	-	17	-	-	-
	-	-	-	(15)	-	-	-
Prepaid Expenses	-	342	-	-	-	-	1
	-	(384)	-	-	-	-	(1)
Outstanding loan receivable	-	-	-	-	-	-	6,658
	-	-	(8)	-	-	-	(9,077)
Interest payable	-	-	-	-	-	-	1
	-	-	-	-	-	-	(4)
Other receivable	-	-	-	-	-	-	-
	-	(347)	-	-	-	-	-
Outstanding loan payable	-	-	-	-	-	-	1,562
	-	-	-	-	-	-	(730)
Advance received	-	-	-	-	-	-	20
	-	-	-	-	-	-	(16)

(Figures in bracket are as at March 31, 2021)

<sup>(1)</sup> Remuneration includes amounts towards LTIP and ESOP basis actual payment/exercise. There is no remuneration paid to Mr. Ravinder Takkar from VIL and neither any amount is charged back to the Company by any other entity towards his remuneration during the current and previous year.

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

^ Includes amounts accrued on account of onerous contract (Site Exits) involving invoicing and settlements over a 3 years period.

# The Company is one of the members of ABMCPL, a Company limited by guarantee, which has been formed to provide common pool of facilities and resources to its members with a view to optimise the benefits of specialisation and minimize cost to each member. The Company's share of expenses incurred under the common pool has been accounted for at actuals in the respective heads in the Statement of Profit and Loss. Further, the Company had entered into a recharge agreement with ABMPL pursuant to amalgamation of VMSL and VnL with the Company effective August 31, 2018 for availing such services. Effective October 1, 2020, the Company has terminated the arrangement with ABMPL. Purchase of Services includes the charge towards such Business Support Services for ABMPL amounting to ₹ Nil (March 31, 2021 ₹ 656 Mn).

Further, the Company had also entered into a recharge agreement with VGSL for Business Support services effective August 31, 2018. Effective October 1, 2020, the Company has revised the arrangement with VGSL. Purchase of Services includes the charge towards such Business Support Services for VGSL amounting to ₹ 397 Mn (March 31, 2021 ₹ 3,528 Mn).

(i) Above excludes any cash inflow/outflow that could possibly arise from the settlement of certain outstanding disputes pertaining to the period until May 31, 2018 pursuant to the implementation agreement entered between the Company and VnL shareholders. The Company has recognised a settlement asset net of settlement liabilities of ₹ 63,939 Mn as at March 31, 2022 (March 31, 2021: ₹ 63,939 Mn) towards the same.

(ii) Guarantees given by bankers to third party on behalf of the Company, counter guaranteed by the VITIL of ₹ 41,850 Mn (March 31, 2021: ₹ 19,350 Mn), is availed by the Company.

(iii) With respect to options that have already exercised there is an outstanding liability of ₹ 1,156 Mn payable to entities having significant influence (March 31, 2021: ₹ 1,150 Mn).

(iv) During the year the Company has Contributed to Gratuity Fund amounting to ₹ 319 Mn (March 31, 2021: ₹ 2,750 Mn).

## NOTES

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### C. The significant related party transactions are summarised below for the year ended March 31, 2022 and March 31, 2021:

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Sale of Service</b>		
Vodafone Enterprise Global Limited	1,515	1,407
<b>Purchase of service</b>		
Indus Towers Limited	95,562	81,967
<b>Interest expenses</b>		
Vodafone Idea Shared Services Limited	5	-
Vodafone Idea Communication Systems Limited	16	85
<b>Expenses incurred on behalf of</b>		
Vodafone Group Services Limited	15	-
Vodafone Idea Business Services Limited	21	-
Vodafone Idea Telecom Infrastructure Limited	16	90
Vodafone Idea Shared Services Limited	13	20
FireFly Networks Limited	21	-
<b>Expenses incurred on company's behalf by</b>		
Vodafone Group Services Limited	-	37
Vodafone Idea Business Services Limited	13	-
Vodafone Idea Shared Services Limited	-	21
Vodafone Idea Communication Systems Limited	16	-
<b>Receipt of money towards settlement of asset</b>		
Euro Pacific Securities Limited	-	19,748
<b>Proceeds from allotment of equity shares</b>		
Euro Pacific Securities Limited	26,156	-
Prime Metals Limited	7,594	-
Oriana Investments PTE Limited	11,250	-
<b>Payments made on behalf of</b>		
Vodafone Idea Telecom Infrastructure Limited	32	353
<b>Payments received on behalf of</b>		
Vodafone Idea Telecom Infrastructure Limited	888	1,534
<b>Sale of Fixed Assets</b>		
Vodafone Idea Business Services Limited	-	1
Vodafone Idea Shared Services Limited	2	-
<b>Purchase of Fixed Assets</b>		
Vodafone Idea Business Services Limited	-*	1
<b>Purchase of Intangible Assets</b>		
You Broadband India Limited	-*	3



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Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Insurance premium (including advance given)</b>		
Aditya Birla Sun Life Insurance Company Limited	14	62
<b>Loan given during the year</b>		
Vodafone Idea Business Services Limited	330	-
<b>Loan repaid during the year</b>		
Vodafone Idea Shared Services Limited	450	-
Vodafone Idea Communication Systems Limited	410	2,110
<b>Loan repayment received during the year</b>		
Vodafone Idea Business Services Limited	2,735	1,624
You Broadband India Limited	-	1,103
<b>Interest income</b>		
FireFly Networks Limited	-*	1
<b>Dividend Received</b>		
Indus Towers Limited	-	1,115
<b>Donations Given</b>		
Vodafone Foundation	205	273
<b>Loans taken during the year</b>		
Vodafone Idea Shared Services Limited	930	320
Vodafone Idea Communication Systems Limited	762	1,300
<b>Business Consideration received</b>		
Vodafone Idea Telecom Infrastructure Limited	2,269	-

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

**D. Commitments with Related Parties ₹ Nil (March 31, 2021 : ₹ Nil).****E. Compensation of Key Management Personnel of the Company**

Particulars	₹ Mn	
	March 31, 2022	March 31, 2021
Short-term employee benefits	53	66
Post-employment benefits <sup>(1)</sup>	1	1

<sup>(1)</sup> Represents contribution to provident and superannuation funds. As Gratuity expense is based on actuarial valuations, the same cannot be computed for individual employees and hence not included.

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### NOTE 57: DISCLOSURE AS PER THE REQUIREMENT OF REGULATION 34 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (Listing obligations and disclosure requirements) regulations, 2015:

The amounts at the year end and the maximum amount of loans and advances outstanding during the year is as follows:

Name of the Company	As at March 31, 2022		As at March 31, 2021	
	Outstanding balance	Maximum amount outstanding during the year	Outstanding balance	Maximum amount outstanding during the year
<b>Subsidiaries</b>				
Vodafone Idea Business Services Limited <sup>(1)</sup>	5,771	8,506	8,176	9,800
Vodafone Foundation <sup>(1)</sup>	5	5	5	5
Vodafone m-pesa Limited <sup>(1)</sup>	806	806	806	806
Vodafone Idea Technology Solutions Limited <sup>(1)</sup>	76	90	90	95
You Broadband India Limited	-	-	-	1,103
Vodafone Idea Shared Services Limited	-	-	-	124
<b>Joint Venture</b>				
Firefly Networks Limited	-	8	8	8
	<b>6,658</b>	<b>9,415</b>	<b>9,085</b>	<b>11,941</b>

<sup>(1)</sup> The amounts mentioned above represents gross amount outstanding (refer note 16)

### NOTE 58: FINANCIAL INSTRUMENTS

#### A) Financial Instruments by Category:

The following table provides categorisation of all financial instruments at carrying value except non-current investments in subsidiaries and associate which are carried at cost.

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Non-current investments	-*	10	-	-	10	-
Trade Receivables	-	-	23,915	-	-	24,408
Loans	-	-	3,141	-	-	5,556
Cash and cash equivalents	-	-	14,144	-	-	2,402
Bank balance other than cash and cash equivalents	-	-	4	-	-	5
Margin money deposits <sup>(1)</sup>	-	-	20,324	-	-	22,332
Deposit with Body Corporates, Government Authorities and Others <sup>(1)</sup>	-	-	7,033	-	-	9,745
Interest receivable <sup>(1)</sup>	-	-	440	-	-	341
Settlement assets <sup>(1)</sup>	-	-	81,204	-	-	63,939
Business consideration receivable <sup>(1)</sup>	-	-	44,310	-	-	46,579
Others <sup>(1)</sup>	-	-	289	-	-	601
<b>Total Financial Assets</b>	<b>-</b>	<b>10</b>	<b>194,804</b>	<b>-</b>	<b>10</b>	<b>175,908</b>

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

**NOTES**

forming part of the Standalone Financial Statements

₹ Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial Liabilities</b>				
Fixed Rate loans from banks and others including Interest accrued but not due	-	28,816	-	89,527
Floating Rate loans from banks and others including Interest accrued but not due	-	153,407	-	144,971
Deferred Payment Obligations including Interest accrued but not due	-	1,798,121	-	1,633,292
Trade Payables	-	134,093	-	132,933
Payables for Capital Expenditure <sup>(2)</sup>	-	65,629	-	82,004
Accrual towards One Time Spectrum Charges (OTSC) (refer note 41(v)) <sup>(2)</sup>	-	49,572	-	43,898
Settlement liabilities (refer note 41(iv)) <sup>(2)</sup>	-	17,265	-	-
Derivative Financial Liabilities <sup>(2)</sup>	102	-	440	-
Security Deposits from Customers and Others <sup>(2)</sup>	-	2,859	-	3,279
Lease liabilities <sup>(2)</sup>	-	228,245	-	213,871
Others <sup>(2)</sup>	2	-	3	-
<b>Total Financial Liabilities</b>	<b>104</b>	<b>2,478,007</b>	<b>443</b>	<b>2,343,775</b>

<sup>(1)</sup> Included in other current / non-current financial assets<sup>(2)</sup> Included in other current / non-current financial liabilities**B) Fair Value Hierarchy**

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

**i. Fair value hierarchy of financial assets and liabilities measured at fair value as at As at March 31, 2022**

₹ Mn

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Non-current investments	-	10	-	10
<b>Total Financial Assets</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>10</b>
<b>Financial Liabilities</b>				
Derivative Financial Liabilities	-	102	-	102
Others	-	2	-	2
<b>Total Financial Liabilities</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>104</b>

**ii. Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2021**

₹ Mn

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Non-current investments	-	10	-	10
<b>Total Financial Assets</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>10</b>
<b>Financial Liabilities</b>				
Derivative Financial Liabilities	-	440	-	440
Others	-	3	-	3
<b>Total Financial Liabilities</b>	<b>-</b>	<b>443</b>	<b>-</b>	<b>443</b>

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iii. The carrying amounts of the following financial assets and financial liabilities are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

#### a) Financial Assets

- Non-current investments (excluding non-current investments in joint venture)
- Trade Receivables
- Loans to Subsidiaries, Joint ventures and others
- Cash and Cash equivalents
- Bank balance other than cash and cash equivalents
- Margin money deposits
- Deposit with Body Corporates, Government Authorities and Others
- Interest Receivable
- Settlement assets
- Business consideration receivable
- Others

#### b) Financial Liabilities

- Floating Rate loans from banks and others including Interest accrued but not due
- Trade Payables
- Payable for capital expenditure
- Accrual towards One Time Spectrum Charges
- Security Deposits from Customers and Others
- Lease liabilities
- Settlement liabilities

#### iv. Fair value hierarchy of financial liabilities measured at amortised cost is below:

Particulars	Carrying Amount	Level 1	Level 2	Level 3	₹ Mn
					Total
Fixed rate loans from banks and others including interest accrued but not due					
As at March 31, 2022	28,816	-	22,511	-	22,511
As at March 31, 2021	89,527	-	73,987	-	73,987
Deferred Payment Obligations including interest accrued but not due					
As at March 31, 2022	1,798,121	-	1,940,757	-	1,940,757
As at March 31, 2021	1,633,292	-	1,739,923	-	1,739,923

#### C) Valuation Technique used to determine fair value including fair value though OCI:

Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable and willing parties, other than in a forced or liquidation sale. The valuation techniques used to determine the fair values of financial assets and financial liabilities classified as level 2 include use of quoted market prices or dealer quotes for similar instruments and generally accepted pricing models based on a discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

The Company enters into derivative financial instruments such as forward, interest rate swap and cross currency swaps with various counterparties. The fair value of such derivatives instruments are determined using forward exchange rates, currency basis spreads between respective currencies and interest rate curves.

## NOTES

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### NOTE 59: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise borrowings, derivative liabilities, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise investments, cash and bank balance, trade and other receivables. The Company also enters into derivative transactions such as foreign forward exchange contracts, Interest rate and currency swaps as a part of Company's financial risk management policies. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Company's senior management comprising of a team of qualified finance professionals with appropriate skills and experience oversees management of these risks and provides assurance to the management that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activity for risk management purposes are carried by specialist team having appropriate skills and experience. The risks and measures to mitigate such risks is reviewed by the committee of Board of Directors periodically.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include borrowings, bank deposits, investments and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At March 31, 2022, after taking into account the effect of interest rate swaps, approximately 92.02% of the Company's borrowings are at a fixed rate of interest (March 31, 2021: 92.00% ).

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
<b>March 31, 2022</b>		
INR - Borrowings	+100	(1,437)
	-100	1,437
USD - Borrowings	+100	(88)
	-100	88
<b>March 31, 2021</b>		
INR - Borrowings	+100	(1,271)
	-100	1,271
USD - Borrowings	+100	(173)
	-100	173

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

## NOTES

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#### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency), payables for capital expenditure denominated in foreign currency and foreign currency borrowing.

The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies.

When a derivative is entered into for the purpose of hedging any foreign currency exposure, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company has major foreign currency risk in USD EURO and GBP. The Company hedged 5.48% (March 31, 2021: 6.94%) of its foreign currency trade payables and other financial liabilities in USD and 95.92% (March 31, 2021: 36.66%) of its foreign currency loans in USD. This foreign currency risk is hedged by using foreign currency forward contracts and cross currency rate swaps (refer note 46). However, the Company has not hedged the foreign currency trade payables in EURO and GBP.

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency rates, with all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies other than USD, EURO and GBP is not material.

Currency exposure	Change in currency exchange rate	Effect on profit before tax
<b>March 31, 2022</b>		
USD	+5%	(1,664)
	-5%	1,664
EURO	+5%	(671)
	-5%	671
GBP	+5%	(58)
	-5%	58
<b>March 31, 2021</b>		
USD	+5%	(2,918)
	-5%	2,918
EURO	+5%	(601)
	-5%	601
GBP	+5%	(58)
	-5%	58

The derivatives have not been designated in a hedge relationship, they act as a hedge and will offset the underlying transactions when they occur.

#### c) Price risk

The Company invests its surplus funds in various debt instruments and debt mutual funds. These comprise of mainly liquid schemes of mutual funds (liquid investments) and fixed deposits.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

#### d) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

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#### - Trade receivables

Customer credit risk is managed in accordance with the Company's established policy, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 15 to 30 days' credit terms. Outstanding customer receivables are regularly monitored.

The Company follows a 'simplified approach' (i.e. based on lifetime Expected credit losses (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). A large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. The Company, based on past trends, recognizes allowance for trade receivables: a) for retail subscribers (net of security deposit) remaining unpaid beyond 90/120 days from date of billing and b) for other trade receivables on account of Interconnect, Roaming, Fixed line Voice and data service etc. remaining unpaid beyond 180/365 days. Further, allowance is also recognised for cases indicating any specific trail of credit loss within the ageing brackets mentioned above. Individual trade receivables are written off when management deems them not to be collectible. Any subsequent recovery is recognized as Income in the Statement of Profit and Loss. Refer Note 13 for the carrying amount of credit exposure as on the Balance Sheet date.

#### - Other financial assets and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counter party. Counterparty credit limits are reviewed by the Company's Treasury Department periodically, and may be updated throughout the year. The limits are intended to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet as at March 31, 2022 and March 31, 2021 on its carrying amounts as disclosed in notes 10, 13, 14, 15, 16 and 17 except for derivative financial instruments.

The Company's maximum exposure relating to financial derivative instrument is noted in note 59 (e) and liquidity table below:

#### e) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. As at March 31, 2022, approximately 4.35% of the Company's debt excluding interest will mature in less than one year, without considering reclassification into current maturity of debt due to convert breach (March 31, 2021: 7.99%) based on the carrying value of borrowings reflected in the financial statements.

As the Company has already availed the moratorium with respect to AGR and Deferred Spectrum Obligation as referred in Note 3 and raised the fund from the promoter / promoter group companies for ₹ 45,000 Mn as referred in Note 41(i) and based on the past performance and future expectation, the Company believes that the existing cash balance along with cash generated from operations, working capital management, raising additional funds as required, successful negotiations with lenders for continued support will satisfy its cash flow requirement associated with repayment of borrowings and other liabilities from its operation (refer note 4, 21(D) and 21 (E)).

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	₹ Mn				
	Carrying Value	Less than 1 year	1 to 5 years	> 5 years	Total payments
<b>As at March 31, 2022</b>					
Loans from banks and others and Interest thereon <sup>(1)</sup>	182,223	163,711*	31,654	-	195,365
Deferred Payment Obligations and Interest thereon <sup>(2)&amp;(5)</sup>	1,798,121	18	689,302	2,315,090	3,004,410
Trade and other payables <sup>(3)</sup>	249,294	247,666	2,382	-	250,048
Lease liabilities	228,245	123,501	116,723	22,004	262,228
Settlement liabilities (refer note 41(iv)) <sup>(2)</sup>	17,265	17,265	-	-	17,265
Other financial liabilities <sup>(1), (2), (3)&amp;^^</sup>	2,861	2,816	45	-	2,861
	<b>2,478,009</b>	<b>554,977</b>	<b>840,106</b>	<b>2,337,094</b>	<b>3,732,177</b>
Derivatives liabilities <sup>(4)</sup>	102	102	-	-	102
<b>Total</b>	<b>2,478,111</b>	<b>555,079</b>	<b>840,106</b>	<b>2,337,094</b>	<b>3,732,279</b>

## NOTES

forming part of the Standalone Financial Statements

Particulars	Carrying Value	Less than 1 year	1 to 5 years	> 5 years	Total payments
<b>As at March 31, 2021</b>					
Loans from banks and others and Interest thereon <sup>(1)</sup>	234,498	187,660*	75,095	5,208	267,963
Deferred Payment Obligations and Interest thereon <sup>(2)</sup>	1,633,292	155,311^	952,552	1,583,180	2,691,043
Trade and other payables <sup>(3)</sup>	258,835	245,768	15,026	-	260,794
Lease liabilities	213,871	116,165	118,599	17,473	252,237
Other financial liabilities <sup>(1),(2),(3)&amp;^^</sup>	3,282	3,237	45	-	3,282
	<b>2,343,778</b>	<b>708,141</b>	<b>1,161,317</b>	<b>1,605,861</b>	<b>3,475,319</b>
Derivatives liabilities <sup>(4)</sup>	440	434	6	-	440
<b>Total</b>	<b>2,344,218</b>	<b>708,575</b>	<b>1,161,323</b>	<b>1,605,861</b>	<b>3,475,759</b>

<sup>(1)</sup> Interest accrued but not due of ₹ 2,637 Mn (March 31, 2021: ₹ 3,055 Mn) has been excluded from other financial liabilities and included in Loans from banks and others and interest thereon.

<sup>(2)</sup> Interest accrued but not due of ₹ 66,969 Mn (March 31, 2021: ₹ 60,902 Mn) has been excluded from other financial liabilities and included in Deferred Payment Obligations and interest thereon.

<sup>(3)</sup> Payable for capital expenditure of ₹ 65,629 Mn (March 31, 2021: ₹ 82,004 Mn) and Accrual towards One Time Spectrum Charges (OTSC) of ₹ 49,572 Mn (March 31, 2021: ₹ 43,898 Mn) has been excluded from other financial liabilities and included in trade and other payables.

<sup>(4)</sup> Included as part of maturity profile as the underlying of these derivatives are borrowings and other financial liabilities included above.

<sup>(5)</sup> Excluding impact of conversion of the full amount of interest on the deferred instalments related to spectrum auction amounts and AGR dues into shares in the company (refer note 3).

\*The Company has classified an amount of ₹ 68,131 Mn (March 31, 2021: ₹ 85,472 Mn) from non-current borrowings to current maturities of long term debt although the Company believes that there will be no acceleration of payment in this regard (refer note 21(D)).

^Includes deferred payment liability towards spectrum (including interest thereon) of ₹ 64,392 Mn which is considered as payable within one year basis current correspondence with DoT and additional Bank Guarantees of ₹ 9,757 Mn is to be provided to avail the additional moratorium of 1 year. (refer note 21(E)).

^^ Includes payable for capital expenditure of ₹ 35,770 Mn (March 31, 2021 : 9,310 Mn) due for payment.

### NOTE 60: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the value of shareholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using the net debt-equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, unencumbered fixed deposit with banks having maturity of 3 to 12 months and investment in liquid mutual funds.

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Loans from banks and others	28,363	64,846
Deferred Payment Obligations	1,731,145	1,509,309
Short Term Borrowings	151,231	229,678
Less: Cash and cash equivalents	(14,144)	(2,402)
Less: Fixed deposits with banks having maturity of 3 to 12 months	(2)	(2)
<b>Net debt (A)</b>	<b>1,896,593</b>	<b>1,801,429</b>
Equity share capital	321,188	287,354
Other Equity	(935,550)	(664,430)
<b>Total Equity (B)</b>	<b>(614,362)</b>	<b>(377,076)</b>
<b>Net debt-equity ratio (A)/(B)</b>	<b>(3.09)</b>	<b>(4.78)</b>

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.



## NOTES

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### NOTE 61: ADDITIONAL DISCLOSURE AS PER REQUIREMENT OF SCHEDULE III

#### A) Ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance	Reason for variance
Current Ratio <sup>(1)</sup>	0.47	0.44	6%	
Debt Equity Ratio <sup>(2)</sup>	(3.11)	(4.78)	(35)%	Mainly due to loss after tax incurred during the year
Debt Service Coverage Ratio ('DSCR') <sup>(3)</sup>	0.27	0.41	(34)%	Mainly due to higher repayment of borrowings as per agreement
Return on Equity Ratio <sup>(4)</sup>	NA*	NA*	NA	
Trade Receivables turnover ratio (number of days) <sup>(5)</sup>	23	23	(2)%	
Trade Payables turnover ratio <sup>(6)</sup>	1.49	1.70	(12)%	
Net capital turnover ratio <sup>(7)</sup>	(0.64)	(0.58)	11%	
Net Profit ratio (%) <sup>(8)</sup>	(74)%	(111)%	(33)%	Mainly due to higher Exceptional items during the previous year
Return on Capital employed <sup>(9)</sup>	(6)%	(20)%	(72)%	Mainly due to higher Exceptional items during the previous year
Return on investment <sup>(10)</sup>	NA	18%	NA	

<sup>(1)</sup> Current Ratio = [Current assets/Current liabilities (excluding short term borrowings)]

<sup>(2)</sup> Debt-Equity Ratio = [Debt (excluding interest accrued but not due)/ Equity]

<sup>(3)</sup> 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)]

<sup>(4)</sup> Return on Equity Ratio = [Net Profit/(loss) after tax/ Average Equity]

<sup>(5)</sup> Trade Receivables turnover ratio = [(Average trade receivables/(Revenue from operations)\*Number of days during the year]

<sup>(6)</sup> Trade Payables turnover ratio = [Total purchases/Average Trade Payables]

<sup>(7)</sup> Net capital turnover ratio = [Revenue from operations / (Current asset - Current liability (excluding Short term borrowings))]

<sup>(8)</sup> Net profit ratio = [Profit after tax/Revenue from operations]

<sup>(9)</sup> Return on Capital employed = [(Profit/(loss) before tax + Finance costs) / (Equity share capital + Other equity + Debt (excluding interest accrued but not due) + Deferred tax liabilities) ]

<sup>(10)</sup> Return on investment = [Gain on Mutual Fund (including fair value gain/(loss)) / Average Investment in Mutual Fund]

\* As the Net-worth is negative as on March 31, 2022 and as on March 31, 2021.

#### B) Relationship with struck off companies

₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
Maxwell Solutions Private Limited	Payables	-	-*	-*	-*	Vendor
Kavi Constructions Private Limited	Payables	-*	-*	-	-*	Vendor
E2E Solutions Pvt. Ltd.	Payables	-*	-*	-*	-*	Vendor
Miheer Engineering Services Pvt Ltd	Payables	-	-	1	1	Vendor
E Charge Tech Pvt Ltd	Payables	-	-	1	1	Vendor
Sayali Interiors Pvt Ltd	Payables	-	-	-*	-*	Vendor

**NOTES**

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₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
Strop Softech Private Limited	Receivables	-	-	-*	-*	Customer
Nexus Connexions Private Limited	Payables	-	-	-*	-*	Vendor
Power Charge Services Pvt Ltd	Payables	-	-	-*	-*	Vendor
Servico Bpo Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Shachi Technologies Pvt. Ltd.,	Payables	-	-	-*	-*	Vendor
Vistaas Digital Media Pvt Ltd	Payables	-	-	-*	-*	Vendor
Shrinathji Netsol (India)	Receivables	-	-	-*	-*	Customer
Skan Bpo Private Limited	Payables	-	-	-*	-*	Vendor
Starvice Technologies Pvt Ltd	Receivables	-	-	-*	-*	Customer
Shribalajee I.T. Developers Pvt Ltd	Receivables	-	-	-	-*	Customer
Gbc Infotech Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Vriti Infocom Pvt Ltd	Payables	-	-	-*	-*	Vendor
Umniya Infotech Pvt. Ltd.	Receivables	-	-	-	-*	Customer
Bajoria Sales Pvt Ltd	Payables	-	-	-*	-*	Vendor
Wdc Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Eknavate Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Agape Communications Pvt Ltd	Receivables	-	-	-*	-*	Customer
Ezee Eon Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Msl Proximiti Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Tech Brahma Services Pvt Ltd	Payables	-	-	-*	-*	Vendor
True Eon Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Wizard Infocom Pvt. Ltd.	Receivables	-	-	-*	-*	Customer
Cocktail Mobile Technologies P Ltd	Payables	-	-	-	-*	Vendor
R H Bpo Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Vajja Technologies Pvt Ltd	Payables	-	-	-	-*	Vendor
Orayan Bpo Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Cb Data Solution Pvt Ltd	Payables	-	-	-*	-*	Vendor
Vites Infotech India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Knowledge Works India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Keyserv Outsourcing Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Matha Corporate Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Infra-Red Coastal Ventures Pvt Ltd	Receivables	-	-	-*	-*	Customer
Copsdiwa Tech Pvt Ltd	Payables	-	-	-*	-*	Vendor
Equator Solutions India Pvt Ltd	Receivables	-	-	-*	-*	Customer
Sln Tele Services Pvt Ltd	Receivables	-	-	-*	-*	Customer
Fybrait Technologies Pvt Ltd	Payables	-	-	-*	-*	Vendor

**NOTES**

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₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
Septum Networks India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Shivaneer Infra Tech Pvt.Ltd	Payables	-	-	-*	-*	Vendor
Wondertree Hr Consulting Pvt Ltd	Payables	-	-	-*	-*	Vendor
Faiz Recycling Private Limited	Payables	-	-	-*	-*	Vendor
Swasthik Sahits Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Safal Agri Biotech Pvt Ltd	Payables	-	-	-*	-*	Vendor
Eloqunc Consulting Pvt Ltd	Payables	-	-	-*	-*	Vendor
Ragathirumala Enterprises Pvt Ltd	Payables	-	-	-*	-*	Vendor
Bnr Communications Private Limited	Receivables	-	-	-*	-*	Customer
Metaprism It Solutions Pvt Ltd	Payables	-	-	-	-*	Vendor
Subten Technologies Pvt Ltd	Payables	-	-	-*	-*	Vendor
Imind Cellworks Pvt Ltd	Payables	-	-	-*	-*	Vendor
Chemiron Impex Private Limited	Payables	-	-	-*	-*	Vendor
Ciro It Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Bestshop99 Trading Private Limited	Payables	-	-	-*	-*	Vendor
Ayuno Soluzione Pvt Ltd	Payables	-	-	-*	-*	Vendor
Estoem Infovision India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Eupruxia Technology Pvt Ltd	Receivables	-	-	-*	-*	Customer
Alliance Itech Pvt Ltd	Receivables	-	-	-	-*	Customer
Fgc Investment Solutions Pvt Ltd	Payables	-	-	-	-*	Vendor
Ramp Info Solutions Pvt Ltd	Payables	-	-	-	-*	Vendor
Seth Edu Private Limited	Payables	-	-	-	-*	Vendor
Swaraj Business Solution Pvt Ltd	Payables	-	-	-	-*	Vendor
Taniya Online Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Raju Call Info Pvt Ltd	Payables	-	-	-*	-*	Vendor
Ensemble Furniture Limited	Payables	-	-	-*	-*	Vendor
Nosyworld Solutions Private Limited	Payables	-	-	-*	-*	Vendor
Ares Management Services Pvt Ltd	Receivables	-	-	-*	-*	Customer
Gatik Fincomm Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Taj Technotech Ltd	Receivables	-	-	-*	-*	Customer
Spark Fincorp India Limited	Payables	-	-	-*	-*	Vendor
One M Infomedia Private Limited	Payables	-	-	-*	-*	Vendor
Abs Homes Developers India Pvt Ltd	Receivables	-	-	-*	-*	Customer
Planet M Retail Ltd	Payables	-	-	-*	-*	Vendor
5A Information Technologies Pvt Ltd	Receivables	-	-	-*	-*	Customer
Leonine Business Franchise Pvt Ltd	Payables	-	-	-*	-*	Vendor

## NOTES

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₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
Tls It Solutions India Pvt Ltd	Receivables	-	-	-*	-*	Customer
Gayatri Cellular Pvt.Ltd	Receivables	-	-	-	-*	Customer
Landmark Motors	Receivables	-	-	-*	-*	Customer
Sanskriti Tele Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Windz Express (P) Ltd	Payables	-	-	-*	-*	Vendor
Aargam Computers Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Activ4Pets India Private Limited	Payables	-	-	-*	-*	Vendor
Tqs Infotech Private Limited	Receivables	-	-	-*	-*	Customer
Big Millionaire Multitrade Pvt Ltd	Payables	-	-	-*	-*	Vendor
Itmarg Solutions Private Limited	Payables	-	-	-*	-*	Vendor
Yellow Tech Solutions Pvt. Ltd	Receivables	-	-	-*	-*	Customer
Firstpriority Logistics Pvt Ltd	Payables	-	-	-*	-*	Vendor
Care Esolutions Private Limited	Receivables	-	-	-*	-*	Customer
Arpanam Innovative Solutions	Receivables	-	-	-*	-*	Customer
Proto Financial Services Pvt Ltd	Payables	-	-	-*	-*	Vendor
Wpi Tele Info Pvt Ltd	Payables	-	-	-*	-*	Vendor
H K Mobiles Pvt Ltd	Payables	-	-	-*	-*	Vendor
Bernhard Consultancy Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Capative Karan Project Pvt Ltd	Receivables	-	-	-*	-*	Customer
Patroun Corporate Agency Pvt Ltd	Receivables	-	-	-*	-*	Customer
Mm Communication Pvt Ltd	Payables	-	-	-*	-*	Vendor
Rawelcom Services India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Core Hr Services Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Kp Tradeline Private Limited	Receivables	-	-	-*	-*	Customer
Tethys Telecom Private Limited	Payables	-	-	-*	-*	Vendor
Peniel Consultants Private Limited	Receivables	-	-	-*	-*	Customer
Sitechs Bpo Private Limited	Receivables	-	-	-*	-*	Customer
Oceanin Info Solutions Pvt Ltd	Receivables	-	-	-*	-*	Customer
Vvidia Communications Pvt Ltd	Payables	-	-	-*	-*	Vendor
True Value Inn Pvt Ltd	Payables	-	-	-*	-*	Vendor
Aintu Services Private Limited	Receivables	-	-	-*	-*	Customer
Home Aspira Online Pvt Ltd	Receivables	-	-	-*	-*	Customer
Guru Caf Management Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Auto Track Systems India Limited	Payables	-	-	-*	-*	Vendor
Imbue Infotech Pvt Ltd	Payables	-	-	-*	-*	Vendor
Evis Infoware India Pvt Ltd	Payables	-	-	-*	-*	Vendor

**NOTES**

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₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
V2V Enterprises Private Limited	Receivables	-	-	-*	-*	Customer
Agastya Logistics Pvt Ltd	Receivables	-	-	-*	-*	Customer
Ornatus Solutions Pvt Ltd	Receivables	-	-	-*	-*	Customer
Datasy E Services Pvt Ltd	Receivables	-	-	1	1	Customer
Crossbow Infotech Pvt Ltd	Receivables	-	-	1	1	Vendor
Getit Infoservices Private Limited	Receivables	-	-	5	5	Customer

\*Numbers are below one million under the rounding off convention adopted by the Company and accordingly not reported.

**NOTE 62:**

Previous year figures have been regrouped/rearranged wherever necessary to conform to the current year grouping

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited**

**Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director & Chief Executive Officer

(DIN : 01719511)

Place: Mumbai

Date : May 10, 2022

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

# Independent Auditor's Report

## To the Members of Vodafone Idea Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Vodafone Idea Limited (hereinafter referred to as "the Company" or "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and joint venture comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at March 31, 2022, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 4 to the financial statements, which describes the Company's financial condition as of March 31, 2022 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 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Material Uncertainty Related to Going Concern' section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue recognition</b> (as described in note 5(a) of the Consolidated financial statements)	
<p>For the year ended March 31, 2022, the service revenue recognised was ₹ 384,895 million.</p> <p>Revenue recognition has been identified as a key audit matter due to complexity of systems in recognizing revenues, significance of volumes of data process by system, constantly evolving pricing with discounted tariffs and operation in highly competitive marketplace.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• With the assistance by IT specialists, we obtained an understanding, evaluated the design and tested the operating effectiveness of key IT general and application controls related to the revenue recognition processes. We also tested relevant IT infrastructure and applications that result in generation of various IT reports used for billing and revenue recognition process.</li> <li>• We tested the operating effectiveness of IT dependent manual controls, performed data analytics and trend analysis, test of reconciliations between billing and other IT systems, prepaid applications and the general ledger. We performed procedures to test the computation of deferred revenue.</li> <li>• We read and assessed the revenue related accounting policy, critical estimates and assumptions and disclosures in the consolidated financial statements.</li> </ul>
<b>Assessment of claims related regulatory, taxation and legal matters</b> (as described in note 45, 3 and 43(vi) of the Consolidated financial statements)	
<p>At March 31, 2022 the value of regulatory, tax and legal disputes disclosed as contingent liabilities was ₹ 199,604 million.</p> <p>Pursuant to the Hon'ble Supreme Court judgement, the Company has recorded and carrying liability of Rs 659,534 million related to AGR matter and Rs 49,572 million related to one time spectrum charges (OTSC) for more than 6.2 MHz spectrum.</p> <p>Taxation, regulatory and litigation exposures have been identified as a key audit matter due to changing regulatory environment and significant judgement required by management in assessing the exposure of each case.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We obtained summary of all tax, regulatory and litigation matters including management's assessment.</li> <li>• We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls related to management's risk assessment process for taxation, regulatory and legal matters.</li> <li>• We obtained and read external legal opinions (where considered necessary) and other evidences provided by management to corroborate management's assessment of regulatory and legal matters.</li> <li>• Engaged tax/regulatory specialists to assess the tax/regulatory positions taken by management with respect to tax/regulatory litigations.</li> <li>• Verified the provisions recorded in the books by the Company including the interest computations based on the demands received by the Company from DoT, internal records of the Company based on the Hon'ble Supreme Court judgement and validated the computations in accordance with licence agreement and Hon'ble Supreme Court judgement for the provisions recorded in the books.</li> <li>• Assessed the relevant accounting policies and disclosures in the consolidated financial statements for compliance with the requirements of accounting standards.</li> </ul>
<b>Borrowings, interest and debt covenant testing</b> (as described in note 23 and 27 of the Consolidated financial statements)	
<p>At March 31, 2022, current and non-current borrowings including interest accrued and AGR liability was ₹ 1,978,782 million and bank guarantee was ₹ 218,809 million.</p> <p>Annual covenant testing as at March 31, 2022 resulted in certain ratios breaching the specified covenant threshold for loans aggregating ₹ 125,080 million. Accordingly, the Company has classified ₹ 68,131 million from non-current borrowings to current maturities of long-term debt.</p> <p>Borrowings has been identified as a key audit matter due to debt covenant testing, change in credit ratings of the loans and various correspondences received from banks and financial institutions for additional security / increase in interest rate resulting in recognition, presentation and measurement complexities.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We tested the debt covenant ratio specified in the loan agreements and the computation and assessed the classification of the borrowing in financial statement based on the results of such testing and waiver from the bank, if any.</li> <li>• We obtained independent confirmation from the bank with respect to borrowings and non-fund based facilities [including bank guarantees/letter of credit] outstanding as at March 31, 2022 and compared the amounts as per confirmations with the amounts in the books of accounts and tested the reconciliation provided by management.</li> <li>• We verified the interest/commission rate used by the Company for computation of interest cost with the loan/bank guarantee agreements and various correspondences received by the Company from respective banks and corresponding increase in rates due to non-remediation of debt covenant and downgrade in credit rating.</li> <li>• We verified the security created against fund and non-fund facilities with the agreements and documents related to charges filed with Register of Companies.</li> <li>• We assessed the borrowing related accounting policy and disclosures in the consolidated financial statements for compliance as per Ind AS 107.</li> </ul>

## Other Information

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the Performance Highlights, Corporate Governance Report, Directors' Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements and our auditor's report thereon. The Performance Highlights, Corporate Governance Report, Directors' Report, Management Discussion and Analysis Report and Business Responsibility Report, is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matter

- (a) The consolidated financial statements also includes the Group's share of net profit after tax and total comprehensive income of Rs 12 million, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of the joint venture and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements and other financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The going concern matter described in Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure-2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Group, to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 45 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Group.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement
- v. No dividend has been declared or paid during the year by the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**per Nilangshu Katriar**

Partner

Membership No.: 58814

UDIN: 22058814AISLJU3154

Place: Mumbai

Date: May 10, 2022

## Annexure 1 to the Independent Auditor's Report

Annexure 1 referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date

Re: Vodafone Idea Limited (the "Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Vodafone Idea Limited	L32100GJ1996PLC030976	Holding Company	3(i)(a)(A), 3(i)(b), 3(ix)(d), 3(xix)
2	Vodafone Idea Business Service Limited	U74900GJ2009PLC058189	Subsidiary	3(ix)(d), 3(xix)
3	Vodafone Idea Manpower Service Limited	U74140GJ2007PLC051881	Subsidiary	3(ix)(d), 3(xix)
4	Vodafone Idea Shared Services Limited	U64204MH2016PLC287257	Subsidiary	3(ix)(d), 3(xix)
5	Vodafone Idea Telecom Infrastructure Limited	U64200GJ2007PLC106772	Subsidiary	3(i)(a)(A), 3(ix)(d), 3(xix)
6	You Broadband India Limited	U51909MH2000PLC139321	Subsidiary	3(ix)(d), 3(xix)
7	Vodafone M pesa Limited	U67100MH2014PLC258108	Subsidiary	3(xiv)(a), 3(ix)(d)
8	Vodafone Idea Technology Services Limited	U72900MH2014PLC260105	Subsidiary	3(ix)(d)

The report of the following components included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report.

S. No.	Name	CIN	Subsidiary/associate/ joint venture
1.	FireFly Networks Limited	U74999DL2014PLC264417	Joint Venture
2.	Aditya Birla Idea Payments Bank Limited	U65923MH2016PLC273308	Associate

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Nilangshu Katriar**

Partner

Membership No.: 58814

UDIN: 22058814AISLJU3154

Place: Mumbai

Date: May 10, 2022

## Annexure 2 to the Independent Auditor's Report

### of even date on the Consolidated Financial Statements of Vodafone Idea Limited

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Vodafone Idea Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Vodafone Idea Limited (hereinafter referred to as the "Company" or "Holding Company") and its subsidiary companies, its associate and joint venture, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial

reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper

management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating

effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

### per **Nilangshu Katriar**

Partner

Membership No.: 58814

UDIN: 22058814AISLJU3154

Place: Mumbai

Date: May 10, 2022

# CONSOLIDATED BALANCE SHEET

as at March 31, 2022

Particulars	Notes	₹ Mn	
		As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment (including RoU Assets)	7	536,327	575,704
Capital work-in-progress	7	3,239	5,996
Investment property	8	-	-
Intangible assets	9	1,031,859	1,099,200
Intangible assets under development	9	404	63
Investments accounted for using the equity method	10	53	41
Financial assets			
Other non-current financial assets	11	88,492	77,323
Deferred tax assets (net)	55	60	23
Other non-current assets	12	111,502	135,461
<b>Total non-current assets (A)</b>		<b>1,771,936</b>	<b>1,893,811</b>
<b>Current assets</b>			
Inventories	13	23	6
Financial assets			
Trade receivables	14	24,439	25,070
Cash and cash equivalents	15	14,532	3,503
Bank balance other than cash and cash equivalents	16	20,434	18,662
Loans to joint venture and others	17	-	9
Other current financial assets	18	756	2,117
Current tax assets		6,031	-
Other current assets	19	102,140	90,975
<b>Total current assets (B)</b>		<b>168,355</b>	<b>140,342</b>
Assets classified as held for sale (AHFS) (C)	20	-	653
<b>Total Assets (A+B+C)</b>		<b>1,940,291</b>	<b>2,034,806</b>

**CONSOLIDATED BALANCE SHEET**

as at March 31, 2022

Particulars	Notes	₹ Mn	
		As at March 31, 2022	As at March 31, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	21	321,188	287,354
Other equity	22	(940,836)	(669,634)
<b>Total equity (A)</b>		<b>(619,648)</b>	<b>(382,280)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Long term borrowings			
Loans from banks and others	23 (A)	28,363	64,846
Deferred payment obligations	23 (B)	1,731,145	1,509,309
Lease Liabilities	47	114,325	109,544
Trade payables	28	852	1,268
Other non-current financial liabilities	24	68,461	63,275
Long term provisions	25	384	416
Deferred tax liabilities (net)	55	-	22
Other non-current liabilities	26	5,070	4,381
<b>Total non-current liabilities (B)</b>		<b>1,948,600</b>	<b>1,753,061</b>
<b>Current liabilities</b>			
Financial liabilities			
Short term borrowings	27	149,669	228,948
Lease Liabilities	47	114,109	104,555
Trade payables	28	131,699	132,757
Other current financial liabilities	29	139,606	133,316
Other current liabilities	30	76,018	63,991
Short term provisions	31	238	458
<b>Total current liabilities (C)</b>		<b>611,339</b>	<b>664,025</b>
<b>Total Equity and Liabilities (A+B+C)</b>		<b>1,940,291</b>	<b>2,034,806</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director &amp; Chief Executive Officer

(DIN : 01719511)

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

Place: Mumbai

Date : May 10, 2022

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

₹ Mn

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Service revenue		384,895	419,331
Sale of trading goods		89	51
Other operating income	32	171	140
<b>Revenue from operations</b>		<b>385,155</b>	<b>419,522</b>
Other income	33	1,294	1,742
<b>Total income</b>		<b>386,449</b>	<b>421,264</b>
<b>EXPENSES</b>			
Cost of trading goods		70	30
Employee benefit expenses	34	17,351	20,300
Network expenses and IT outsourcing cost	35	98,182	95,938
License fees and spectrum usage charges	36	41,988	41,295
Roaming and access charges	37	29,155	52,906
Subscriber acquisition and servicing expenditure	38	19,711	17,677
Advertisement, business promotion expenditure and content cost	39	9,791	7,875
Other expenses	40	8,546	14,044
		<b>224,794</b>	<b>250,065</b>
<b>Profit / (Loss) before finance costs, depreciation, amortisation, share of net profit of joint ventures, exceptional items and tax</b>		<b>161,655</b>	<b>171,199</b>
Finance costs	41	209,808	179,981
Depreciation	7 & 8	146,569	145,013
Amortisation	9	89,274	91,372



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

₹ Mn

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Profit / (Loss) before share of profit of joint ventures, exceptional items and tax</b>		<b>(283,996)</b>	<b>(245,167)</b>
Add : Share in profit of joint ventures	62	12	2,314
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(283,984)</b>	<b>(242,853)</b>
Exceptional items (net)	42	1,643	(199,681)
<b>Profit/(Loss) before tax</b>		<b>(282,341)</b>	<b>(442,534)</b>
Tax expense:			
- Current tax	54	173	(180)
- Deferred tax	54 & 55	(60)	(23)
<b>Profit/(Loss) after tax</b>		<b>(282,454)</b>	<b>(442,331)</b>
<b>Other comprehensive income/(loss)</b>			
<b>Items not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement gains/(loss) on defined benefit plans	53	90	374
Income tax effect	54 & 55	(1)	(4)
Group's share in other comprehensive income / (loss) of joint ventures and associate (net of taxes)		-	(2)
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>89</b>	<b>368</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(282,365)</b>	<b>(441,963)</b>
<b>Earnings/(loss) per equity share of ₹ 10 each:</b>	56		
Basic (₹)		<b>(9.83)</b>	<b>(15.40)</b>
Diluted (₹)		<b>(9.83)</b>	<b>(15.40)</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**Non-Executive Chairman  
(DIN : 03387441)**Ravinder Takkar**Managing Director & Chief Executive Officer  
(DIN : 01719511)**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

Place: Mumbai

Date : May 10, 2022

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

## A. Equity share capital:

### Equity shares of ₹ 10 each issued, subscribed and fully paid

	Numbers	Amount (₹ Mn)
<b>As at April 1, 2020</b>	28,735,389,240	287,354
Issue of Share capital	-	-
<b>As at March 31, 2021</b>	<b>28,735,389,240</b>	<b>287,354</b>
Issue of Share capital (refer note 43(i))	3,383,458,645	33,834
<b>As at March 31, 2022</b>	<b>32,118,847,885</b>	<b>321,188</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

Particulars	Reserves and surplus						Total		
	Capital reserve (refer note 22(ii))	Capital reduction reserve (refer note 22(ii))	Debt redemption reserve (refer note 22(iii))	Securities premium (refer note 22(iv))	Amalgamation adjustment deficit account (refer note 22(v))	General reserve (refer note 22(vi))		Retained earnings (refer note 22(vii))	Employee stock options reserve (refer note 22(viii))
<b>As at April 1, 2020</b>	<b>(88,460)</b>	<b>277,787</b>	<b>4,408</b>	<b>1,084,698</b>	<b>(488,444)</b>	<b>1,562</b>	<b>(1,019,762)</b>	<b>656</b>	<b>(227,555)</b>
Profit/(Loss) for the year ended March 31, 2021	-	-	-	-	-	-	(442,331)	-	(442,331)
Other comprehensive income/(loss) for the year ended March 31, 2021	-	-	-	-	-	-	368	-	368
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(441,963)</b>	<b>-</b>	<b>-</b>
Share-based payment expenses (refer note 52)	-	-	-	-	-	-	295	(295)	-
Group's share of additional depreciation in joint venture (Indus) on fair valued assets/ physical verification adjustments pursuant to scheme	-	-	-	-	-	-	(116)	-	(116)
<b>As at March 31, 2021</b>	<b>(88,460)</b>	<b>277,787</b>	<b>4,408</b>	<b>1,084,698</b>	<b>(488,444)</b>	<b>1,562</b>	<b>(1,461,546)</b>	<b>361</b>	<b>(669,634)</b>
Profit/(Loss) for the year ended March 31, 2022	-	-	-	-	-	-	(282,454)	-	(282,454)
Other comprehensive income/(loss) for the year ended March 31, 2022	-	-	-	-	-	-	89	-	89
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(282,365)</b>	<b>-</b>	<b>-</b>
Allotment of Equity Share Capital (net of issue expense of Rs 3 Mn) (refer note 43(i))	-	-	-	1,1,163	-	-	-	-	1,1,163
Share-based payment expenses (refer note 52)	-	-	-	-	-	-	311	(311)	-
<b>As at March 31, 2022</b>	<b>(88,460)</b>	<b>277,787</b>	<b>4,408</b>	<b>1,095,861</b>	<b>(488,444)</b>	<b>1,562</b>	<b>(1,743,600)</b>	<b>50</b>	<b>(940,836)</b>

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

**Nilangshu Katriar**

Partner

Membership No.: 58814

Place: Mumbai

Date: May 10, 2022

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director &amp; Chief Executive Officer

(DIN : 01719511)

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

# STATEMENT OF CONSOLIDATED CASH FLOWS

for the year ended March 31, 2022

₹ Mn

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>OPERATING ACTIVITIES</b>		
<b>Loss before tax</b>	(282,341)	(442,534)
<b>Adjustments to reconcile loss before tax to net cash flows</b>		
Share in profit of joint ventures and associate (net)	(12)	(2,314)
Depreciation of property, plant and equipment (including RoU Assets) and investment property	146,569	145,013
Amortisation of intangible assets	89,274	91,372
Share-based payment expense (ESOS)	(16)	35
(Gain) / Loss on disposal of property, plant and equipment and intangible assets (net)	(679)	5
Gain on Investment property (leasehold land) (refer note 42)	(1,266)	-
Gain on sale of stake in Indus (Joint Venture) (refer note 42)	-	(21,189)
Impact due to cancellation of lease contract on network re-alignment (refer note 42)	-	(1,696)
Accelerated depreciation on account of network re-alignment/re-farming (refer note 42)	137	5,745
License fees and SUC on AGR (refer note 42)	-	194,405
One Time Spectrum Charges (refer note 42)	-	5,027
Impairment of Brand (refer note 42)	-	7,246
Finance costs (including fair value change in financial instruments)	209,808	179,981
Bad debts / advances written off	1,756	3,873
Allowance for doubtful debts / advances	479	(437)
Liabilities / provisions no longer required written back	(70)	(46)
Other income	(1,057)	(1,636)
<b>Working capital adjustments</b>		
(Increase)/Decrease in trade receivables	(383)	3,136
(Increase)/Decrease in inventories	(17)	19
(Increase) in other financial and non-financial assets	(30,051)	(6,836)
(Decrease)/Increase in trade payables	(3,432)	5,522
Increase/(Decrease) in other financial and non-financial liabilities	30,476	(16,197)
<b>Cash flows from operating activities</b>	<b>159,175</b>	<b>148,494</b>
Income tax refund (including TDS) (net)	14,695	7,903
<b>Net cash flows from operating activities</b>	<b>173,870</b>	<b>156,397</b>

# STATEMENT OF CONSOLIDATED CASH FLOWS

for the year ended March 31, 2022

₹ Mn

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development)	(60,089)	(47,097)
Payment towards Spectrum and Licenses - Upfront payment	(1,035)	(5,747)
Proceeds from sale of property, plant and equipment and intangible assets	1,207	1,782
Proceeds from sale of Investment property (leasehold land) (net of expenses)	1,870	-
Proceeds from sale of stake in Indus (Joint Venture) (net of expenses related to sale of ₹ 170 Mn) (refer note 43(iii))	-	37,472
Net sale of current investments	180	4,952
Repayment of loan given to joint venture	8	-
Interest received	586	1,797
Maturity/(Placement) for Fixed deposits with banks having maturity of 3 to 12 months	(30)	16,477
Dividend received from joint venture (Indus)	-	1,115
<b>Net cash flows (used in) / from investing activities</b>	<b>(57,303)</b>	<b>10,751</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from allotment of equity shares under Preferential Issue (net of share issue expenses of ₹ 3 Mn) (refer note 43(i))	44,997	-
Payment of interest and finance charges <sup>(1)</sup>	(27,997)	(28,256)
Proceeds from long term borrowings	5,000	-
Repayment of long term borrowings	(80,641)	(43,220)
Proceeds from short term borrowings	22,500	-
Repayment of short term borrowings	-	(283)
Payment of lease liabilities (refer note 47)	(69,397)	(95,555)
<b>Net cash flows (used in) financing activities</b>	<b>(105,538)</b>	<b>(167,314)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year</b>	<b>11,029</b>	<b>(166)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,503</b>	<b>3,669</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>14,532</b>	<b>3,503</b>

<sup>(1)</sup> includes interest payment on deferred payment liabilities forming part of long term borrowings

## 1. Cash and Cash Equivalents include the following Balance Sheet amounts

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash on hand	32	30
Cheques on hand	68	181
Balances with banks		
In current accounts	14,141	2,770
In deposit accounts	291	522
	<b>14,532</b>	<b>3,503</b>

# STATEMENT OF CONSOLIDATED CASH FLOWS

for the year ended March 31, 2022

## 2. Disclosure of changes in liabilities arising from financing activities on account of non-cash transactions

₹ Mn

Particulars	Loans from banks and others including current maturities	Deferred payment obligations including current maturities	Changes in derivative liabilities (net)	Interest accrued but not due	Lease liabilities
<b>Balance as at April 1, 2020</b>	<b>272,909</b>	<b>877,007</b>	<b>(822)</b>	<b>61,081</b>	<b>268,792</b>
(i) Cash flow Items					
Net proceed/(repayment) of borrowings	(43,007)	(496)	-	-	-
Payment of Interest and finance charges	-	-	(7)	(28,249)	-
Payment of lease liabilities (refer note 47)	-	-	-	-	(95,555)
(ii) Non - cash items					
Foreign exchange (gain)/loss	(687)	-	-	687	-
Finance cost accrued (charged to profit and loss)	-	-	1,269	157,906	20,806
Upfront fees amortisation	69	-	-	(69)	-
Interest on asset retirement obligation	-	-	-	(9)	-
Interest related to vendors and other liabilities	-	-	-	(39,690)	-
Accrued interest on deferred payment liability for spectrum and others transferred to borrowing on anniversary date	-	86,274	-	(86,274)	-
Accrued interest on loans from banks and others transferred to borrowing	1,431	-	-	(1,431)	-
Reclassification of Deferred Payment obligation pursuant to AGR judgment (refer note 3)	-	609,603	-	-	-
Addition of lease liabilities (refer note 47)	-	-	-	-	32,272
Deletion of lease liabilities (refer note 47)	-	-	-	-	(12,216)
<b>As at March 31, 2021</b>	<b>230,715</b>	<b>1,572,388</b>	<b>440</b>	<b>63,952</b>	<b>214,099</b>
(i) Cash flow Items					
Net proceed/(repayment) of borrowings	(53,086)	(55)	-	-	-
Payment of Interest and finance charges	-	-	-	(27,997)	-
Payment of lease liabilities (refer note 47)	-	-	-	-	(69,397)
(ii) Non - cash items					
Foreign exchange (gain)/loss	418	-	-	(418)	-
Finance cost accrued (charged to profit and loss)	-	-	(338)	191,190	18,956
Upfront fees amortisation	(46)	-	-	46	-
Interest on asset retirement obligation	-	-	-	5	-
Interest related to vendors and other liabilities	-	-	-	(11,620)	-
Accrued interest on deferred payment liability towards spectrum and AGR transferred to borrowing on anniversary date	-	145,665	-	(145,665)	-
Accrued interest on loans from banks and others transferred to borrowing	25	-	-	(25)	-
Addition towards Spectrum acquisition	-	13,153	-	137	-
Addition of lease liabilities (refer note 47)	-	-	-	-	73,889
Deletion of lease liabilities (refer note 47)	-	-	-	-	(9,113)
<b>As at March 31, 2022</b>	<b>178,026</b>	<b>1,731,151</b>	<b>102</b>	<b>69,605</b>	<b>228,434</b>

3. The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows. The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited**

**Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director & Chief Executive Officer

(DIN : 01719511)

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

Place: Mumbai

Date : May 10, 2022

## NOTES

### forming part of the Consolidated Financial Statements

#### 1. CORPORATE INFORMATION

Vodafone Idea Limited ('the Company'), a public limited company, was incorporated under the provisions of the Companies Act applicable in India on March 14, 1995. Its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India (Scrip Code: NSE: IDEA, BSE: 532822). The registered office of the Company is situated at Suman Tower, Plot No. 18, Sector-11, Gandhinagar – 382011, Gujarat. The Company is one of the leading telecom service providers in India. The Company and its subsidiaries ("the Group") is engaged in the business of Mobility and Long Distance services, trading of handsets and data cards.

These consolidated financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 10, 2022.

#### 2.(A) STATEMENT OF COMPLIANCE

These consolidated financial statements of the Company, its subsidiaries (the "Group"), joint ventures and associate comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Statement of Consolidated Cash Flows together with the consolidated notes have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

#### 2.(B) BASIS OF PREPARATION AND CONSOLIDATION

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All financial information presented in ₹ has been rounded off to million unless otherwise stated.

Ministry of Corporate Affairs (MCA) issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments were applicable to the Group for the financial year starting April 01, 2021. The Group has given effect of such regroupings in consolidated financial statements including figures for the corresponding previous year wherein:

- a) Current maturities of long term loans from banks and others and Current maturities of Deferred payment obligations have been regrouped from "Other current financial liabilities" in the audited financial statements for the year ended March 31, 2021 to "Short term borrowings" in consolidated financial statements.
- b) Lease liabilities have been disclosed separately as "Lease Liabilities" in the consolidated financial statements from "Other non-current financial liabilities" and "Other current financial liabilities" in the audited financial statements for the year ended March 31, 2021.

The Group has elected to present Profit/(Loss) before finance costs, depreciation, amortisation, share of profit of joint ventures, exceptional items and tax as a separate line item on the face of the statement of profit and loss. In such measurement, the company does not include finance costs, depreciation, amortisation, share of profit of joint ventures, exceptional items and tax.

The consolidated financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act, 2013.

The consolidated financial statements have been consolidated in accordance with Ind AS 110, 'Consolidated Financial Statements'.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group has:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee and
- Has the ability to affect those returns through its power to direct the relevant activities of the investee.

Generally, there is a presumption that majority of voting rights results in control. To support this presumption and when the Group has less than majority of voting or similar rights over an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Rights arising from other contractual arrangements
- Potential voting rights held by the Group

The consolidated financial statements of the group are

## NOTES

### forming part of the Consolidated Financial Statements

prepared based on a line by line consolidation of the separate financial statements of the Company and its subsidiaries whereby the book values of like items of assets, liabilities, income, expenses and tax have been added after eliminating intra-group balances, transactions and resulting unrealised gains or losses.

The financial statements of the following entities in the Group are prepared using uniform accounting policies and are drawn up to the same accounting period as that of the Company.

Subsidiaries are consolidated from the date on which control is acquired by the group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet, respectively.

Sr. No.	Name of the Company	Relationship	Voting Power % as at	
			March 31, 2022	March 31, 2021
1	Vodafone Idea Manpower Services Limited ('VIMSL')	Subsidiary	100.00	100.00
2	Vodafone Idea Telecom Infrastructure Limited ('VITIL')	Subsidiary	100.00	100.00
3	Vodafone Idea Business Services Limited ('VIBSL')	Subsidiary	100.00	100.00
4	Vodafone Idea Communication Systems Limited ('VICSL')	Subsidiary	100.00	100.00
5	Vodafone Foundation ('VF') (Registered under section 8 of Companies Act, 2013)	Subsidiary	100.00	100.00
6	Connect (India) Mobile Technologies Private Limited ('CIMTPL')	Subsidiary	100.00	100.00
7	Vodafone m-pesa Limited ('VMPL')	Subsidiary	100.00	100.00
8	Vodafone Idea Technology Solutions Limited ('VITSL')	Subsidiary	100.00	100.00
9	Vodafone Idea Shared Services Limited ('VISSL')	Subsidiary	100.00	100.00
10	You Broadband India Limited ('YBIL')	Subsidiary	100.00	100.00

The Financial Statements of the following associate and joint ventures used in the consolidation are drawn up to the same reporting date as that of the Group and the accounting policies have been changed where necessary to ensure consistency with the policies adopted by the group. All the entities are incorporated in India.

Sr. No.	Name of the Company	Relationship	Voting Power % as at	
			March 31, 2022	March 31, 2021
1	Indus Tower Limited (Indus)	Joint Venture <sup>(1)&amp;(3)</sup>	-	-
2	Aditya Birla Idea Payments Bank Limited (ABIPBL) <sup>(2)</sup>	Associate	49.00	49.00
3	Firefly Networks Limited	Joint Venture <sup>(1)</sup>	50.00	50.00

<sup>(1)</sup> by virtue of joint venture agreement

<sup>(2)</sup> ABIPBL has decided to wind up its business voluntarily (voluntary winding up) on July 19, 2019 subject to requisite regulatory approvals and consent. The Company is currently under liquidation.

<sup>(3)</sup> The Company has sold its stake in Indus on November 19, 2020 (refer note 43(iii))

### 2.(C) CHANGES IN OWNERSHIP INTERESTS

#### - Subsidiaries

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any

consideration paid or received is recognised within equity.

The subsidiaries are deconsolidated from the date the Group loses control on such subsidiaries. When the Group ceases to consolidate because of a loss of control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts



## NOTES

### forming part of the Consolidated Financial Statements

previously recognised in other comprehensive income in respect of that entity are reclassified to profit and loss on disposal of the related assets and liabilities.

#### - **Associates and Joint Arrangements**

The Group ceases to equity account for an investment if it loses joint control or significant influence over such equity accounted investee. When the group ceases to equity account for an investee, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest in the investee. In addition, any amounts previously recognised in other comprehensive income in respect of that investee are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit and loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit and loss where appropriate.

3. The Hon'ble Supreme Court on October 24, 2019 along with supplementary order dated July 20, 2019 and final order dated September 01, 2020 delivered its judgment (together referred to as "AGR Judgment") on the cross appeals against the Hon'ble TDSAT judgment dated April 23, 2015, relating to the definition of Adjusted Gross Revenue. The order upheld the principal demand, levy of interest, penalty and interest on penalty.

Subsequent to the same, on September 01, 2020, vide its judgment, the Hon'ble Supreme Court has inter-alia directed that for the demand raised by the DoT 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 March 31, 2021 and thereafter, Telecom Operators to make payment in yearly instalments commencing from April 01, 2021 to March 31, 2031 payable by 31st March of every succeeding financial year. The cumulative amount paid by the Company of ₹ 78,544 Mn exceeded 10% of the total liability, and accordingly the Company filed an affidavit with Hon'ble Supreme Court including the compliance letter confirming payment of 10% of the total dues along with an undertaking to pay the arrears as per the Court judgement from FY 21-22 onwards.

The Company had on August 10, 2021 filed a review petition with the Hon'ble Supreme Court for considering to hear the modification application on correction of manifest / clerical / arithmetic errors in the computation of AGR demands which is still pending to be heard.

The Union Cabinet on September 15, 2021 approved major structural and process reforms in the telecom sector to boost the proliferation and penetration of broadband and telecom connectivity. Further to address liquidity requirements, the Cabinet has also approved deferment of AGR dues which are payable in annual instalments as determined by the Hon'ble Supreme Court for up to four years without any change in the instalment period and deferment of spectrum auction instalments payable from October 01, 2021 to September 30, 2025 excluding the instalments due for spectrum auction conducted in 2021. The DoT also revised the definition of AGR effective October 01, 2021 to exclude non-telecom revenues. On October 14, 2021, DoT issued the required notifications giving an option for moratorium of Spectrum instalment and AGR dues to be confirmed by the Company on or before October 29, 2021. It also provided a period of 90 days to confirm upfront conversion, if any, of the interest amount arising due to such deferment into equity. The Company has conveyed its acceptance for the deferment of Spectrum auction instalments & AGR dues by a period of four years with immediate effect and has also requested for inclusion of the amounts after the affidavit period till AGR judgement of 2019 to be covered by the cabinet relief package.

At its meeting held on January 10, 2022, the Board of Directors approved the conversion of the full amount of such interest on the deferred instalments related to deferred annual spectrum liabilities and AGR dues into shares in the company, either ordinary and / or preference, at the discretion of government. Subsequently on March 31, 2022, DoT has computed the Net Present value (NPV) of the interest liability on moratorium period amounting to ₹ 161,331 Mn towards AGR dues (as per Hon'ble SC affidavit dated September 01, 2020) and deferred annual Spectrum liabilities respectively as on the date of exercise of option i.e. January 10, 2022, which the Company has confirmed on April 14, 2022. Further the accounting of such conversion will happen upon the completion of the process concluding with the actual issue of shares and hence no effects have been given while drawing up the Financial Statements for the year. Such conversion will result in dilution to all the existing shareholders of the Company, including the Promoters.

Accordingly, as at March 31, 2022, the net liability towards AGR dues arising out of Hon'ble Supreme Court judgment amounting to ₹ 659,534 Mn (net of payment of ₹ 78,544 Mn) (including interest till March 31, 2022) is disclosed as deferred payment obligation under long term borrowings in the financial statements.

## NOTES

### forming part of the Consolidated Financial Statements

4. The Group has incurred a loss of ₹ 282,454 Mn for the year ended March 31, 2022 and its net worth stands at negative ₹ 619,648 Mn. As at March 31, 2022, the total debt (including interest accrued but not due) of the Group stands at ₹1,978,782 Mn. As of March 31, 2022, an amount of ₹ 68,131 Mn (March 31, 2021: ₹ 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. 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 next steps/waivers. The existing debt as payable by March 31, 2023 is ₹ 81,555 Mn (excluding amount classified as current on account of not meeting certain covenant clauses).

As the Group has already availed the moratorium with respect to AGR and Deferred Spectrum Obligation as referred above, and raised the fund from the promoter / promoter group companies for ₹ 45,000 Mn as referred in note 43(i), the Group's ability to continue as a going concern is now dependent on raising additional funds as required, successful negotiations with lenders for continued support and generation of cash flow from operations that it needs to settle its liabilities 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 statements have been prepared on a going concern basis.

### 5. SIGNIFICANT ACCOUNTING POLICIES

#### a) Revenue from contracts with customers

Revenue is recognised when a customer obtains control of the goods or receive services and thus has the ability to direct the use and obtain the benefits from the goods or services. Revenue is measured at the Transaction price i.e. an amount that reflects the consideration, to which an entity expects to be entitled in exchange for transferring goods or services to customers, excluding amounts collected on behalf of third parties. Taxes and duties collected by the seller / service provider are to be deposited with the government and not received by the Group on their own account. Accordingly, it is excluded from revenue. The Group evaluates its exposure to significant risks and reward associated with the revenue arrangements in order to determine its position of a principal or an agent in this regard. Consideration payable to a customer includes cash or credit or other items expected to be payable to the customer (or to other parties that purchase the entity's goods or services from the customer). The Group accounts for

consideration payable to a customer as a reduction from the transaction price unless the payment to the customer is in exchange for a distinct goods or services that the customer transfers to the entity.

- i) Revenue from supply of services and sale of goods

Revenue on account of telephony services (post-paid and prepaid categories, roaming, interconnect and long distance services) is recognised on rendering of services. Fixed Revenues in the post-paid category are recognised over the period of rendering of services. Processing fees on recharge vouchers in case of prepaid category is recognised over the validity of such vouchers.

Revenue from other services (internet services, mobile advertisement, revenue from toll free services, etc.) is recognised on rendering of services. Revenue from sale of handsets, data cards and related accessories is recognised when control of the asset is transferred to the customer, generally on delivery of the equipment. Revenue from passive infrastructure is recognised on rendering of services.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Multiple element contracts:

Bundle packages that include multiple elements, at the inception of the arrangement, the Group determines whether it is necessary to separate the separately identifiable elements and apply the corresponding revenue recognition policy to each elements. Total package revenue is allocated among the identified elements based on their relative standalone price.

- ii) Unbilled income

Unbilled income is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs its obligation by transferring goods or services to a customer before the same is invoiced to the customer,

## NOTES

### forming part of the Consolidated Financial Statements

unbilled income is recognised for the earned consideration that is conditional on satisfaction of performance obligation.

iii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 5(r) Financial instruments – initial recognition and subsequent measurement.

iv) Advance from customer and deferred revenue

Advance from customer and deferred revenue is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Advance from customer and deferred revenue are recognised as revenue when the Group fulfils its performance obligations under the contract.

v) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is recorded using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount on initial recognition.

vi) Dividends

Dividend income is recognised when the Group's right to receive the payment is established.

vii) Cost to obtain a contract

The Group pays sales commission to its channel partners for each contract that they obtain. Such costs are deferred over the average expected customer life-cycle provided the estimated average customer life-cycle is higher than twelve months. The Company re-estimates the average customer life cycle on a periodic basis.

#### b) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract

conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Company's lease asset classes primarily consist of leases for passive infrastructure for cell sites and immovable properties.

##### i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment (Refer Note 5 (m)).

##### ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

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In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification i.e. a change in the lease term or a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The re-measurement of lease liability is done by discounting the revised lease payments using the Group's incremental borrowing rate at the effective date of modification.

#### iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### Group as a lessor

Finance lease:

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting period so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating lease:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Group are structured to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increase; such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term. Contingent rents

are recognised as income in the period in which they are earned.

The Group enters into agreements which entitle its customers the right to use of specified capacity of dark fibre / bandwidth capacity for a specific period of time. Under such arrangements, the rights to use the specified assets are given for a substantial part of the estimated useful life of such assets. The contracted price received upfront in advance is treated as deferred revenue and is recognised on a straight line basis over the agreement period.

#### c) Employee benefits

##### i. Defined Contribution Plan

Contributions to Provident and other funds are funded with the appropriate authorities and charged to the Consolidated Statement of Profit and Loss when the employees have rendered service entitling them to the contributions.

Contributions to Superannuation are funded with the Life Insurance Corporation of India and charged to the Consolidated Statement of Profit and Loss when the employees have rendered service entitling them to the contributions.

The Group has no obligation other than contribution payable to these funds.

##### ii. Defined Benefit Plan

The Group has a defined benefit gratuity plan which is a combination of funded plan and unfunded plan. In case of funded plan, the Group makes contribution to a separately administered fund with the Insurance companies. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimation of the payments. Any deficit in plan assets managed by Insurance companies as compared to the liability based on an independent actuarial valuation is recognised as a liability. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, with actuarial valuations being carried out at periodic intervals.

Re-measurements, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Consolidated balance sheet

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with a corresponding charge or credit to Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to Consolidated statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated statement of profit and loss:

- Service costs; and
- Net interest expense or income

iii. Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, wages, Long Term Incentive Plan (LTIP) and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Provision for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the reporting date. The related re-measurements are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

iv. Share- based payments

Equity-settled share-based payments to employees for options granted by the Group to its employees are measured at the fair value of the equity instruments at the grant date.

Stock option of Vodafone Group Plc (VGPLC) granted to the employees of the Group are accounted as cash-settled share based payments by the Group.

The fair value determined at the grant date of the equity settled share-based payments is expensed over the period in which the performance or service conditions are fulfilled, based on the Group's estimate of stock options that will eventually vest, with a corresponding increase in equity. The fair value of the cash settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of stock option that will eventually vest, with a corresponding increase in liability. At the end of each reporting period, the Group revises

its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Consolidated statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve or liability as applicable.

In respect of cancellation of unvested stock options, the amount already charged as share based payment expense is reversed under the same head in the Consolidated Statement of Profit and Loss. In respect of cancellation/ expiration of vested stock options, the amount already charged as share based payment expense is adjusted against Retained earnings in Other Equity.

In respect of modification such as re-pricing of existing stock option, the difference in fair value of the option on the date of re-pricing is accounted for as share based payment expense over the remaining vesting period.

#### d) Annual Revenue Share License Fees and Spectrum Usage Charges

The variable license fees and annual spectrum usage charges, computed basis of adjusted gross revenue, are charged to the Consolidated Statement of Profit and Loss in the period in which the related revenue arises as per the license agreement of the licensed service area at prescribed rate.

#### e) Foreign currency transactions

The Group's financial statements are presented in Indian Rupees (₹) which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded at the ₹ spot rate on the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised on net basis within finance cost in the Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rates at the dates of the initial transactions.

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### f) Exceptional items

Items of income or expense which are non-recurring or outside of the ordinary course of business and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group are disclosed as exceptional items in the Consolidated Statement of Profit and Loss.

### g) Taxes

Income tax expense represents the sum of current tax and deferred tax.

#### i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable income and calculated using the applicable tax rates and tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

#### ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at the end of each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation statute.

### h) Current / Non – Current Classification

An asset is classified as current when

- It is expected to be realized or consumed in the respective company's normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Any asset not conforming to the above is classified as non-current.

A liability is classified as current when

- It is expected to be settled in the normal operating cycle of the respective companies;
- It is held primarily for the purposes of trading;
- It is expected to be settled within twelve months after the reporting period; or

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- d) The respective companies have no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as non-current.

#### i) Property, Plant and Equipment

Property, Plant and Equipment (PPE) and Capital work in progress (CWIP) held for use in the rendering of services and supply of goods, or for administrative purposes, are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all direct costs relating to acquisition and installation of Property, Plant and Equipment, non-refundable duties and borrowing cost relating to qualifying assets. CWIP represents cost of property, plant and equipment not ready for intended use as on the reporting date. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Consolidated statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land is not depreciated. Depreciation on all other assets under PPE commences once such assets are available for use in the intended condition and location. Depreciation is provided using straight-line method on pro rata basis over their estimated useful economic lives as given below. The useful life is taken as prescribed in Schedule II to the Companies Act, 2013 except where the estimated useful economic life has been assessed to be lower.

Asset Retirement Obligation (ARO) is capitalized when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. ARO is measured based on present value of expected cost to settle the obligation.

Particulars	Estimated useful life (in years)
Buildings	25 to 30
Leasehold Improvements	Period of lease or 10 years whichever is lower
Network Equipments	7 to 9
Optical Fibre	15
Other Plant and Equipment	2 to 5
Office Equipments	3 to 5
Computers and servers	3 to 5
Furniture and Fixtures	5 to 10
Motor Vehicles	2 to 5
RoU Assets	
- Land & Building	Over the period of Lease
- Cell Sites	Over the period of Lease
- Bandwidth (IRU)	Over the period of agreement
- Others	3 to 5

An item of property, plant and equipment and any significant part which meets the criteria for asset held for sale will be reclassified from property, plant and equipment to asset held for sale. When any significant part of property, plant and equipment is discarded or replaced, the carrying value of discarded / replaced part is derecognized. Any gains or losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated statement of profit and loss on the date of retirement or disposal.

#### j) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment properties are measured initially at their cost including transaction cost. Investment properties are subsequently measured at historical cost less accumulated depreciation and impairment loss.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying value at the date of change in use. If owner-occupied property becomes an investment property, the Group

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accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in consolidated statement of profit and loss in the period of derecognition.

Depreciation is charged so as to write off the cost of investment properties using the straight-line method, over the leasehold period or estimated useful lives, whichever is lower.

#### k) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Consolidated statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. There are no intangible assets assessed with indefinite useful life.

Intangible assets with finite lives are amortised over the useful economic life. The amortisation period, residual value and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised on straight line method as under:

- Cost of spectrum is amortised on straight line method from the date when the related network is ready for intended use over the unexpired period of the spectrum.

- Cost of licenses is amortised on straight line method from the date of launch of circle/ renewal of license over the unexpired period of the license.
- Software, which is not an integral part of hardware, is treated as an intangible asset and is amortised over its useful economic life as estimated by the management between 3 to 5 years.
- Brand - Separately acquired brand is shown at historical cost. Subsequently brand is carried at cost less accumulated amortisation and impairment loss, if any. The Group amortises brand using the straight line method over the estimated useful life of 10 years.

Cost of Intangible assets under development represents cost of intangible assets not ready for intended use as on the reporting date. It includes the amount of spectrum allotted to the Group and related borrowing costs (that are directly attributable to the acquisition or construction of qualifying assets) if any, for which network is not yet ready.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

#### l) Non – Current Assets Held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and its sale is highly probable. The sale is considered highly probable only when the asset or disposal groups is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and the sale is expected to be completed within one year from the date of classification. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. These are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the Consolidated Balance Sheet.

Non-current assets that ceases to be classified as held for sale are measured at lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.



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#### m) Impairment of Non – Financial Assets

Tangible (including RoU Assets) and Intangible assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, an appropriate valuation model is used. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, an impairment loss is recognised in Consolidated Statement of Profit and Loss by reducing the carrying amount of the asset (or cash-generating unit) to its recoverable amount.

For assets excluding goodwill, impairment losses recognized in the earlier periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. If such indication exists, the Group estimates the asset's (or cash generating unit's) recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had such impairment loss not been recognised for the asset (or cash-generating unit) in prior years. Any reversal of an impairment loss is recognised immediately in the Consolidated statement of profit and loss.

#### n) Investment in Associates and Joint Arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an

arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Associates are all entities over which the group has significant influence but not control or joint control.

Significant influence is the power to participate in the financial and operating policy decisions of the investee.

Investments in joint ventures and associates are initially recognised at cost and subsequently accounted for using the equity method of accounting in the consolidated financial statements of the group as per Ind AS 28 – Investments in Associates and Joint ventures.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investee equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the equity-accounted investee. If the equity-accounted investee subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of profits equals the share of losses not recognised.

Unrealized gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The entire carrying amount of the investment (including goodwill) is tested for impairment if there is objective evidence indicating impairment. Impairment is tested in accordance with Ind AS 36 – Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less cost of disposal) with its carrying amount. Any reversal of the impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

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#### o) Borrowing Costs

Borrowing Costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the finance costs.

#### p) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### q) Cash and cash equivalents

Cash and cash equivalents in the Consolidated balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of consolidated cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

#### r) Financial Instruments

##### Initial recognition and measurement

Financial Instruments (assets and liabilities) are recognised when the Group becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or

financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Consolidated statement of profit and loss.

#### i. Financial assets

All regular way purchase or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

##### Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets:

- a) Financial assets measured at amortised cost
- b) Financial assets measured at fair value through profit or loss (FVTPL)
- c) Financial assets measured at fair value through other comprehensive income (FVTOCI) – The Group does not have any assets classified as FVTOCI.

#### I. Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the Consolidated statement of profit and loss. The losses arising from impairment are recognised in the

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Consolidated statement of profit and loss. This category generally applies to trade and other receivables, loans, etc.

#### II. Financial assets measured at FVTPL

FVTPL is a residual category for financial assets in the nature of debt instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated statement of profit and loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either
  - the Group has transferred substantially all the risks and rewards of the asset, or
  - the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

##### Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Debt instruments measured at amortised cost e.g., loans and bank deposits
- Trade receivables
- Other Financial assets not designated as FVTPL

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such

that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables (including lease receivables). The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For the purpose of measuring the expected credit loss for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively depending on their significance. Individual trade receivables are written off when management deems them not to be collectible on assessment of facts and circumstances. Refer note 14.

#### ii. Financial liabilities

##### Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the EIR method or at FVTPL.

##### a. Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated statement of profit and loss.

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#### b. Financial liabilities at FVTPL

Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

#### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. In case, an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in Consolidated Statement of Profit and Loss.

#### iii. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to manage its foreign currency risks and interest rate risks, respectively. These derivative instruments are not designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency and interest exposures. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Consolidated statement of profit and loss.

#### Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative instrument. An

embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

#### iv. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

#### s) Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair

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value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances that caused the transfer or (b) at the end of each reporting period or (c) at the beginning of each reporting period.

#### t) Dividend distribution to equity holders

Dividends paid / payable along with applicable taxes are recognised when it is approved by the shareholders. In case of interim dividend, it is recognised when it is approved by the Board of Directors and distribution is no longer at the discretion of the Company. A corresponding amount is accordingly recognised directly in equity.

#### u) Earnings per share

The earnings considered in ascertaining the Group's Earnings per share (EPS) is the net profit/ (loss) after tax.

EPS is disclosed on basic and diluted basis. Basic EPS is computed by dividing the profit / (loss) for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

#### v) Onerous Contract

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the

Group recognises any impairment loss that has occurred on assets dedicated to that contract.

#### w) Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Consolidated statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### i. Asset Retirement Obligation (ARO)

ARO is provided for those lease arrangements where the Group has a binding obligation to restore the said location / premises at the end of the period in a condition similar to inception of the arrangement. The restoration and decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

##### ii. Contingent Liabilities

A Contingent Liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are not recognised.

#### x) Business Combinations

Business Combinations are accounted for using Ind AS 103 'Business Combination'. Acquisitions of businesses are accounted for using the acquisition method unless the transaction is between entities under common control.

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Acquisition related costs are recognized in the Consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their respective fair value at the acquisition date, except certain assets and liabilities required to be measured as per applicable standards.

Purchase consideration in excess of the Group's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration, after reassessment of fair value of net assets acquired, is recognised as capital reserve.

Business Combinations arising from transfer of interests in entities that are under common control and entities which results in formation of joint ventures, where one of the combining entities does not obtain control of the other combining entity or entities, accounted using pooling of interest method wherein, assets and liabilities of the combining entities are reflected at their carrying value. No adjustment is made to reflect fair values, or recognize any new assets or liabilities other than those required to harmonise accounting policies. The identity of the reserves is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

#### 6. USE OF ESTIMATES, ASSUMPTIONS AND JUDGMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1<sup>st</sup>, 2022, as below:

##### i) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

##### ii) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

##### iii) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

##### iv) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

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### v) Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

### Estimates and Assumptions

#### i. Taxes

The respective companies provide for tax considering the applicable tax regulations and based on reasonable estimates.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the respective companies will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.

Minimum alternative tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the respective companies will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and is included in Deferred Tax Assets. The respective companies review the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that respective companies will be able to absorb such credit during the specified period. Further details about taxes refer note 54 and 55.

### ii. Defined benefit plans (gratuity and compensated absences benefits)

The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions.

All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 54(A).

### iii. Allowance for Trade receivable

For the purpose of measuring the expected credit loss for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively depending on their significance. Individual trade receivables are written off when management deems them not to be collectible on assessment of facts and circumstances. Refer note 14.

### iv. Useful life of Property, Plant and Equipment

The useful life to depreciate property, plant and equipment is based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset, and manufacturers' warranties, maintenance and support period, etc. The charge for the depreciation is derived after considering the expected residual value at end of the useful life.

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The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by the management at each financial year end and adjusted prospectively, if appropriate. Further details about property, plant and equipment are given in note 7.

#### **v. Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain specific estimates such as Group's credit rating.

#### **vi. Leases-Estimate of lease period**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

#### **vii. Provisions and Contingent Liabilities**

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Evaluations of uncertain provisions and contingent liabilities and assets requires judgement and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts. Refer note 45 for further details about Contingent liabilities.



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### NOTE 7: PROPERTY, PLANT AND EQUIPMENT (INCLUDING ROU ASSETS)

₹ Mn

Particulars	Freehold land <sup>^</sup>	Buildings <sup>^</sup>	Leasehold Improvement	Plant and machinery <sup>(3)</sup>	Furniture and fixtures	Office equipments	Vehicles	RoU Assets (refer note 47)	Total
<b>Cost</b>									
<b>As at April 1, 2020</b>	<b>189</b>	<b>5,121</b>	<b>1,280</b>	<b>947,770</b>	<b>1,717</b>	<b>2,318</b>	<b>1,388</b>	<b>288,306</b>	<b>1,248,089</b>
Additions	-	-	1	39,906	77	71	1	32,339	72,395
Disposals/Adjustments	-	(1)	(402)	(31,764)	(398)	(339)	(375)	(18,741)	(52,020)
<b>As at March 31, 2021</b>	<b>189</b>	<b>5,120</b>	<b>879</b>	<b>955,912</b>	<b>1,396</b>	<b>2,050</b>	<b>1,014</b>	<b>301,904</b>	<b>1,268,464</b>
Additions	-	-	-	42,741	8	71	2	73,858	116,680
Disposals/Adjustments	-	-	(21)	(10,969)	(103)	(175)	(212)	(12,629)	(24,109)
<b>As at March 31, 2022</b>	<b>189</b>	<b>5,120</b>	<b>858</b>	<b>987,684</b>	<b>1,301</b>	<b>1,946</b>	<b>804</b>	<b>363,133</b>	<b>1,361,035</b>
<b>Accumulated Depreciation</b>									
<b>As at April 1, 2020</b>	<b>-</b>	<b>729</b>	<b>1,010</b>	<b>494,222</b>	<b>1,443</b>	<b>1,990</b>	<b>1,015</b>	<b>84,567</b>	<b>584,976</b>
Depreciation charge for the year	-	197	53	82,350	174	208	162	61,862	145,006
Disposals/Adjustments <sup>(2)</sup>	-	-*	(332)	(23,879)	(371)	(320)	(309)	(12,011)	(37,222)
<b>As at March 31, 2021</b>	<b>-</b>	<b>926</b>	<b>731</b>	<b>552,693</b>	<b>1,246</b>	<b>1,878</b>	<b>868</b>	<b>134,418</b>	<b>692,760</b>
Depreciation charge for the year	-	197	45	82,514	85	141	90	63,497	146,569
Disposals/Adjustments <sup>(2)</sup>	-	-	(20)	(10,343)	(89)	(172)	(191)	(3,806)	(14,621)
<b>As at March 31, 2022</b>	<b>-</b>	<b>1,123</b>	<b>756</b>	<b>624,864</b>	<b>1,242</b>	<b>1,847</b>	<b>767</b>	<b>194,109</b>	<b>824,708</b>
<b>Net Book Value</b>									
<b>As at March 31, 2022</b>	<b>189</b>	<b>3,997</b>	<b>102</b>	<b>362,820</b>	<b>59</b>	<b>99</b>	<b>37</b>	<b>169,024</b>	<b>536,327</b>
<b>As at March 31, 2021</b>	<b>189</b>	<b>4,194</b>	<b>148</b>	<b>403,219</b>	<b>150</b>	<b>172</b>	<b>146</b>	<b>167,486</b>	<b>575,704</b>

#### Footnotes:

(1) Refer note 23(C) for assets pledged as securities towards funded and non-fund based facilities.

(2) Disposals / Adjustments include accelerated depreciation charge of ₹ 137 Mn (March 31, 2021 : ₹ 5,745 Mn) on account of network re-alignment and integration cost and disclosed under exceptional items (refer note 42).

(3) Plant & Machinery and CWIP includes certain assets acquired on extended credit terms for which the title will be transferred to the company upon final payment to the equipment suppliers as per the contract terms. Gross Block, Net Block and CWIP of such assets as on March 31, 2022 is ₹ 33,708 Mn, ₹ 25,262 Mn and ₹ 27 Mn (March 31, 2021 : ₹ 49,982 Mn, ₹ 39,805 Mn and ₹ 31.4 Mn) respectively.

\* Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

<sup>^</sup> Include's certain immovable properties acquired as part of past mergers and acquisitions registered in the name of erstwhile companies.

#### The following is ageing schedule of Capital work-in-progress :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>					
Projects in progress	3,127	60	-	52	3,239
<b>Total</b>	<b>3,127</b>	<b>60</b>	<b>-</b>	<b>52</b>	<b>3,239</b>
<b>As at March 31, 2021</b>					
Projects in progress	5,791	148	4	53	5,996
<b>Total</b>	<b>5,791</b>	<b>148</b>	<b>4</b>	<b>53</b>	<b>5,996</b>

Note - Project in Progress are reviewed by the management on regular basis and deployed as per business requirement.

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### NOTE 8: INVESTMENT PROPERTY

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Leasehold Land</b>		
<b>Cost</b>		
Opening balance	-	720
Asset classified as held for sale (refer note 20)	-	(720)
<b>Closing balance</b>	-	-
<b>Accumulated depreciation</b>		
Opening Balance	-	60
Depreciation charge for the year	-	7
Asset classified as held for sale (refer note 20)	-	(67)
<b>Closing balance</b>	-	-
<b>Net book value</b>	-	-

### NOTE 9: INTANGIBLE ASSETS

Particulars	₹ Mn			
	Entry / license fees and spectrum	Brand	Computer - Software	Total
<b>Cost</b>				
<b>As at April 1, 2020</b>	<b>1,528,795</b>	<b>26,222</b>	<b>21,308</b>	<b>1,576,325</b>
Additions	-	3	3,224	3,227
Disposals/Adjustments	-	-	(30)	(30)
<b>As at March 31, 2021</b>	<b>1,528,795</b>	<b>26,225</b>	<b>24,502</b>	<b>1,579,522</b>
Additions	20,071	-	1,862	21,933
Disposals/Adjustments	(18,421)	-	(4)	(18,425)
<b>As at March 31, 2022</b>	<b>1,530,445</b>	<b>26,225</b>	<b>26,360</b>	<b>1,583,030</b>
<b>Accumulated Amortisation</b>				
<b>As at April 1, 2020</b>	<b>361,956</b>	<b>3,194</b>	<b>16,583</b>	<b>381,733</b>
Amortisation charge for the year	86,259	1,860	3,253	91,372
Disposals/Adjustments	-	-	(29)	(29)
Impairment (refer note 43(ii))	-	7,246	-	7,246
<b>As at March 31, 2021</b>	<b>448,215</b>	<b>12,300</b>	<b>19,807</b>	<b>480,322</b>
Amortisation charge for the year	84,377	1,901	2,996	89,274
Disposals/Adjustments	(18,421)	-	(4)	(18,425)
<b>As at March 31, 2022</b>	<b>514,171</b>	<b>14,201</b>	<b>22,799</b>	<b>551,171</b>
<b>Net Book Value</b>				
<b>As at March 31, 2022</b>	<b>1,016,274</b>	<b>12,024</b>	<b>3,561</b>	<b>1,031,859</b>
<b>As at March 31, 2021</b>	<b>1,080,580</b>	<b>13,925</b>	<b>4,695</b>	<b>1,099,200</b>

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#### Footnotes:

- (1) Computer - software includes gross block of assets capitalised under finance lease ₹ 5,489 Mn (March 31, 2021: ₹ 5,489 Mn) and corresponding accumulated amortisation being ₹ 5,489 Mn (March 31, 2021 : ₹ 5,433 Mn).
- (2) As at March 31, 2022, Entry / license fee and spectrum gross block ₹ 28,162 Mn and Net block ₹ 11,253 Mn range from 1.91 years to 5.4 years and Entry / license fee and spectrum gross block ₹ 1,502,283 Mn and Net block ₹ 1,005,021 Mn range from 8 years to 19.5 years. As at March 31, 2021, Entry / license fee and spectrum gross block ₹ 46,583 Mn and Net block ₹ 18,517 Mn range from 0.4 years to 6.4 years and Entry / license fee and spectrum gross block ₹ 1,482,212 Mn and Net block ₹ 1,062,063 Mn range from 9 years to 17.3 years.
- (3) Refer note 23(C) for computer software pledged as securities towards funded and non-funded facilities.
- (4) During the previous year, pursuant to the launch of V! brand, the company has reassessed the estimated useful life of Vodafone brand from 15 years to 10 years and taken an additional amortisation charge of ₹ 109 Mn (net of reduction on account of impairment amounting to ₹ 323 Mn) (refer note 43(ii)).

#### The following is ageing schedule of Intangible assets under development :

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
₹ Mn					
<b>As at March 31, 2022</b>					
Projects in progress	375	29	-	-	404
<b>Total</b>	<b>375</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>404</b>
<b>As at March 31, 2021</b>					
Projects in progress	63	-	-	-	63
<b>Total</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63</b>

Note - Project in Progress are reviewed by the management on regular basis and deployed as per business requirement.

#### NOTE 10: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	As at	
	March 31, 2022	March 31, 2021
₹ Mn		
<b>Investment (Unquoted)</b>		
<b>Investments in Equity Instruments of Associate</b>		
Aditya Birla Idea Payments Bank Limited (ABIPBL) 278,793,750 fully paid equity shares of ₹ 10 each	2,788	2,788
Add: Group's share of loss of ABIPBL	(1,192)	(1,192)
Less: Impairment Provision	(1,596)	(1,596)
<b>Total investment in associate (A)</b>	<b>-</b>	<b>-</b>
<b>Investments in Equity Instruments of Joint Ventures</b>		
(i) Firefly Networks Limited ("FNL") 1,000,000 fully paid equity shares of ₹ 10 each	10	10
Add: Group's share of profit of FNL	43	31
<b>Total</b>	<b>53</b>	<b>41</b>
<b>Total investment in joint ventures (B)</b>	<b>53</b>	<b>41</b>
<b>Other Investments (FVTPL)</b>		
Equity instruments	-*	-
<b>Total other investments (C)</b>	<b>-*</b>	<b>-</b>
<b>Total (A+B+C)</b>	<b>53</b>	<b>41</b>

\*Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

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### NOTE 11: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Deposits with body corporate and others (includes amount referred in Note 57)		
- Considered Good	6,058	7,370
- Considered Doubtful	281	235
Deposits and balances with government authorities		
- Considered Good	356	1,003
- Considered Doubtful	692	-
Interest receivable	9	-
Margin money deposits <sup>(1)</sup>	865	4,663
Settlement Asset (refer note 43(iv))	81,204	63,939
Other receivable from related party (refer note 57)	-	347
Long term loans to employees	-	1
	<b>89,465</b>	<b>77,558</b>
Allowance for doubtful advances (refer note 49)	(973)	(235)
<b>Total</b>	<b>88,492</b>	<b>77,323</b>

<sup>(1)</sup>Includes ₹ 675 Mn (March 31, 2021: ₹ 4,600 Mn) given to avail bank guarantees and letter of credits apart from security provided as referred in note 23 (C)(ii).

### NOTE 12: OTHER NON-CURRENT ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Capital advances		
- Considered Good	89	5,851
- Considered Doubtful	33	36
Prepaid expenses	377	423
Advance income tax (Net)	39,943	61,900
GST recoverable		
- Considered Good	176	1,286
- Considered Doubtful	55	55
Costs to obtain a contract with the customer (refer note 46)	10,593	5,166
Others (consisting mainly deposit against demands which are appealed against / subjudice)		
- Considered Good	60,324	60,835
- Considered Doubtful	1,408	1,405
	<b>112,998</b>	<b>136,957</b>
Allowance for doubtful advances (refer note 49)	(1,496)	(1,496)
<b>Total</b>	<b>111,502</b>	<b>135,461</b>

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### NOTE 13: INVENTORIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Trading Goods	23	6
<b>Total</b>	<b>23</b>	<b>6</b>

### NOTE 14: TRADE RECEIVABLES (UNSECURED, UNLESS OTHERWISE STATED) (INCLUDES AMOUNT REFERRED IN NOTE 57)

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Billed Receivable - Considered good	29,138	30,327
Billed Receivable - Credit impaired	1,227	1,235
Allowance for doubtful debts (refer note 49)	(10,801)	(11,288)
	<b>19,564</b>	<b>20,274</b>
Unbilled Receivables - Considered good	5,044	5,221
Allowance for doubtful debts (refer note 49)	(169)	(425)
	<b>4,875</b>	<b>4,796</b>
<b>Total</b>	<b>24,439</b>	<b>25,070</b>

Trade receivable are secured for amounts receivable from certain parties who have provided security deposits of ₹ 243 Mn (March 31, 2021 : ₹ 305 Mn)

The following is ageing schedule of trade receivables :

Particulars	₹ Mn					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>						
<b>Trade Receivables - Billed</b>						
(i) Undisputed Trade receivables - considered good	16,634	1,874	3,696	3,394	3,258	28,856
(ii) Undisputed Trade Receivables – credit impaired	1	1	-	-	1,225	1,227
(iii) Disputed Trade receivables - considered good	-	-	-	-	282	282
	<b>16,635</b>	<b>1,875</b>	<b>3,696</b>	<b>3,394</b>	<b>4,765</b>	<b>30,365</b>
<b>Less : Allowance for doubtful trade receivables - Billed</b>						(10,801)
						<b>19,564</b>
<b>Trade receivables - Unbilled</b>						
<b>Less : Allowance for doubtful trade receivables - Unbilled</b>						(169)
						<b>4,875</b>
<b>Total</b>						<b>24,439</b>
<b>As at March 31, 2021</b>						
<b>Trade Receivables - Billed</b>						
(i) Undisputed Trade receivables - considered good	14,814	3,951	4,672	3,732	2,876	30,045
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1,235	1,235
(iii) Disputed Trade receivables - considered good	-	-	-	-	282	282
	<b>14,814</b>	<b>3,951</b>	<b>4,672</b>	<b>3,732</b>	<b>4,393</b>	<b>31,562</b>
<b>Less : Allowance for doubtful trade receivables - Billed</b>						(11,288)
						<b>20,274</b>
<b>Trade receivables - Unbilled</b>						
<b>Less : Allowance for doubtful trade receivables - Unbilled</b>						(425)
						<b>4,796</b>
<b>Total</b>						<b>25,070</b>

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### NOTE 15: CASH AND CASH EQUIVALENTS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Cash on hand	32	30
Cheques on hand	68	181
Balances with banks		
- In current accounts	14,141	2,770
- In deposit accounts (having maturity less than 3 months)	291	522
<b>Total</b>	<b>14,532</b>	<b>3,503</b>

### NOTE 16: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Margin money deposits <sup>(1) &amp; (2)</sup>	19,703	17,869
Fixed deposits with banks having maturity of 3 to 12 months	57	27
Earmarked bank balance towards dividend	2	3
Earmarked balances <sup>(3)</sup>	489	580
Held in escrow account <sup>(4)</sup>	183	183
<b>Total</b>	<b>20,434</b>	<b>18,662</b>

<sup>(1)</sup> Includes fixed deposit of ₹ 4,274 Mn (March 31, 2021: ₹14,887 Mn) having maturity of 3 to 12 months held with banks as margin money deposit against bank guarantees and letter of credits issued by banks for a period ranging from 1 to 6 years (March 31, 2021: 1 to 7 years)

<sup>(2)</sup> Includes ₹ 18,510 Mn (March 31, 2021: ₹ 16,594 Mn) given to avail bank guarantees and letter of credits apart from security provided as referred in note 23 (C)(ii).

<sup>(3)</sup> Contribution received by Vodafone Foundation towards CSR activities.

<sup>(4)</sup> Represents cash received from participating merchant establishments and customers in accordance with the Reserve Bank of India guidelines. The balance can only be used for the purpose of making payment to participating merchants and other permitted payments.

### NOTE 17: LOANS TO JOINT VENTURE AND OTHERS (UNSECURED AND CONSIDERED GOOD, UNLESS OTHERWISE STATED)

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Loan to Joint Venture (refer note 57) <sup>(1)</sup>	-	8
Current portion of loans to employees	-	1
<b>Total</b>	<b>-</b>	<b>9</b>

<sup>(1)</sup> Loans have been provided for general corporate purpose and interest rate is from 8.75% to 9.8% p.a. (March 31, 2021: from 8.75% to 9.8% p.a). Maximum loan outstanding during the year ₹ 8 Mn (March 31, 2021: ₹ 8 Mn).

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### NOTE 18: OTHER CURRENT FINANCIAL ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Interest Receivable	437	343
Deposits with body corporate and others		
- Considered Good	7	4
- Considered Doubtful	-	6
Deposits and balances with government authorities <sup>(1)</sup>	23	1,518
Other receivables (includes amount referred in note 57)	289	252
	<b>756</b>	<b>2,123</b>
Allowance for doubtful advances (refer note 49)	-	(6)
<b>Total</b>	<b>756</b>	<b>2,117</b>

<sup>(1)</sup> Includes balance with DoT amounting to ₹ 23 Mn (March 31, 2021: ₹ 1,513 Mn)

### NOTE 19: OTHER CURRENT ASSETS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
GST recoverable		
- Considered Good	88,267	84,434
- Considered Doubtful	820	706
Prepaid expenses	1,804	3,269
Costs to obtain a contract with the customer (refer note 46)	11,511	2,862
Others		
- Considered Good	558	410
- Considered Doubtful	637	590
	<b>103,597</b>	<b>92,271</b>
Allowance for doubtful advances (refer note 49)	(1,457)	(1,296)
<b>Total</b>	<b>102,140</b>	<b>90,975</b>

### NOTE 20: ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Leasehold land (refer note 43(v))	-	653
<b>Total</b>	<b>-</b>	<b>653</b>

### NOTE 21: EQUITY SHARE CAPITAL

Particulars	₹ Mn			
	As at March 31, 2022		As at March 31, 2021	
	Numbers	Amount	Numbers	Amount
<b>EQUITY SHARE CAPITAL</b>				
Authorised share capital				
Equity Shares of ₹10 each	70,000,000,000	700,000	48,500,000,000	485,000
Preference shares of ₹ 10 each	5,000,000,000	50,000	-	-
Redeemable cumulative non-convertible Preference shares of ₹ 10 Mn each	-	-	1,500	15,000
	<b>75,000,000,000</b>	<b>750,000</b>	<b>48,500,001,500</b>	<b>500,000</b>
<b>Issued, subscribed and paid-up share capital</b>				
Equity Shares of ₹ 10 each fully paid up	32,118,847,885	321,188	28,735,389,240	287,354
	<b>32,118,847,885</b>	<b>321,188</b>	<b>28,735,389,240</b>	<b>287,354</b>

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### (a) Reconciliation of number of shares outstanding

₹ Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	Numbers	Amount	Numbers	Amount
Equity shares outstanding at the beginning of the year	28,735,389,240	287,354	28,735,389,240	287,354
Issue of share (refer note 43(ii))	3,383,458,645	33,834	-	-
Equity shares outstanding at the end of the year	32,118,847,885	321,188	28,735,389,240	287,354

### (b) Terms/ rights attached to issued, subscribed and paid up equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c) Details of shareholders holding more than 5% shares in the Company

₹ Mn

Name of the shareholders	As at March 31, 2022		As at March 31, 2021	
	Numbers	% holding in the class	Numbers	% holding in the class
<b>Equity shares of ₹ 10 each fully paid</b>				
Euro Pacific Securities Limited	5,165,621,444	16.08%	3,198,986,106	11.13%
Grasim Industries Limited	3,317,566,167	10.33%	3,317,566,167	11.55%
Oriana Investments PTE Ltd	2,993,171,886	9.32%	2,147,307,225	7.47%
Prime Metals Limited	2,756,484,727	8.58%	2,185,526,081	7.61%
Mobilvest	1,675,994,466	5.22%	1,675,994,466	5.83%
Vodafone Telecommunications (India) Limited	1,624,511,788	5.06%	1,624,511,788	5.65%
Trans Crystal Limited	1,461,143,311	4.55%	1,461,143,311	5.08%

### (d) Details of promoters holding shares in the Company

Name of the promoters	As at March 31, 2022			As at March 31, 2021		
	Numbers	% holding in the class	% change during the period	Numbers	% holding in the class	% change during the year
<b>Equity shares of ₹ 10 each fully paid</b>						
Euro Pacific Securities Ltd	5,165,621,444	16.08%	4.95%	3,198,986,106	11.13%	-
Grasim Industries Limited	3,317,566,167	10.33%	-1.22%	3,317,566,167	11.55%	-
Oriana Investments PTE LTD	2,993,171,886	9.32%	1.85%	2,147,307,225	7.47%	-
Prime Metals Ltd	2,756,484,727	8.58%	0.98%	2,185,526,081	7.61%	-
Mobilvest	1,675,994,466	5.22%	-0.61%	1,675,994,466	5.83%	-
Vodafone Telecommunications (India) Limited	1,624,511,788	5.06%	-0.60%	1,624,511,788	5.65%	-
Trans Crystal Ltd	1,461,143,311	4.55%	-0.54%	1,461,143,311	5.08%	-
Asian Telecommunications Investments (Mauritius) Limited	980,469,868	3.05%	-0.36%	980,469,868	3.41%	-
Elaine Investments PTE LTD	861,128,643	2.68%	-0.32%	861,128,643	3.00%	-
Al - Amin Investments Ltd.	812,744,186	2.53%	-0.30%	812,744,186	2.83%	-
Hindalco Industries Ltd.	751,119,164	2.34%	-0.28%	751,119,164	2.61%	-



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₹ Mn

Name of the promoters	As at March 31, 2022			As at March 31, 2021		
	Numbers	% holding in the class	% change during the period	Numbers	% holding in the class	% change during the year
CC II Mauritius INC	446,059,752	1.39%	-0.16%	446,059,752	1.55%	-
IGH Holdings Private Limited	407,528,454	1.27%	-0.15%	407,528,454	1.42%	-
Birla TMT Holdings Private Limited	353,798,538	1.10%	-0.13%	353,798,538	1.23%	-
Omega Telecom Holdings Private Limited	279,017,784	0.87%	-0.10%	279,017,784	0.97%	-
Pilani Investment And Industries Corporation Limited	109,028,530	0.34%	-0.04%	109,028,530	0.38%	-
Usha Martin Telematics Limited	91,123,113	0.28%	-0.03%	91,123,113	0.32%	-
Mr. Kumar Mangalam Birla	864,906	0.00%	0.00%	864,906	0.00%	-
<b>Total</b>	<b>24,087,376,727</b>	<b>74.99%</b>	<b>2.95%</b>	<b>20,703,918,082</b>	<b>72.05%</b>	<b>-</b>

### (e) Shares reserved for issue under options

Refer Note 52 for details of shares reserved for issue under the employee stock option scheme.

## NOTE 22: OTHER EQUITY

₹ Mn

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(i) Capital reserve<sup>(1)</sup></b>		
Opening balance	(88,460)	(88,460)
Change during the year	-	-
<b>Closing balance (A)</b>	<b>(88,460)</b>	<b>(88,460)</b>
<b>(ii) Capital reduction reserve<sup>(2)</sup></b>		
Opening balance	277,787	277,787
Change during the year	-	-
<b>Closing balance (B)</b>	<b>277,787</b>	<b>277,787</b>
<b>(iii) Debenture redemption reserve<sup>(3)</sup></b>		
Opening balance	4,408	4,408
Change during the year	-	-
<b>Closing balance (C)</b>	<b>4,408</b>	<b>4,408</b>
<b>(iv) Securities premium</b>		
Opening balance	1,084,698	1,084,698
Allotment of Equity Share Capital (net of issue expense of Rs 3 Mn) (refer note 43(i))	11,163	-
<b>Closing balance (D)</b>	<b>1,095,861</b>	<b>1,084,698</b>
<b>(v) Amalgamation adjustment deficit account<sup>(4)</sup></b>		
Opening balance	(488,444)	(488,444)
Change during the year	-	-
<b>Closing balance (E)</b>	<b>(488,444)</b>	<b>(488,444)</b>
<b>(vi) General Reserve<sup>(5)</sup></b>		
Opening balance	1,562	1,562
Change during the year	-	-
<b>Closing balance (F)</b>	<b>1,562</b>	<b>1,562</b>

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Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>(vii) Retained Earnings</b>		
Opening balance	(1,461,546)	(1,019,762)
Profit/(Loss) for the year	(282,454)	(442,331)
Other Comprehensive Income/(loss) recognised directly in retained earnings	89	368
Share-based payments expenses (refer note 52)	311	295
Group's share of additional depreciation in joint venture (Indus) on fair valued assets/ physical verification adjustments pursuant to scheme	-	(116)
<b>Closing balance (G)</b>	<b>(1,743,600)</b>	<b>(1,461,546)</b>
<b>(viii) Employee stock options reserve</b>		
Opening balance	361	656
Share-based payments expenses (refer note 52)	(311)	(295)
<b>Closing balance (H)</b>	<b>50</b>	<b>361</b>
<b>Total (A+B+C+D+E+F+G+H)</b>	<b>(940,836)</b>	<b>(669,634)</b>

(1) Capital reserve comprises of capital receipt, received as compensation from an erstwhile Joint Venture partner for failure to subscribe in the equity shares of VnL in earlier years, settlement liability created on merger of erstwhile Vodafone with the Company and amount pursuant to merger of ABTL with the Company.

(2) Capital reduction reserve was created by VnL on distribution of VnL's share in Indus to share holders of VnL in accordance with capital reduction scheme. This reserve is not available for distribution as dividend.

(3) The Company has incurred losses during the current /previous year. Accordingly, the Company is not required to create any further DRR as per the Act and hence no DRR has been created during the year ended March 31, 2022 and March 31, 2021.

(4) The Company has accounted for the merger of VnL and VMSL with the Company under 'pooling of interest' method. Consequently, investment of VnL in VMSL, share capital of VnL and VMSL has been cancelled. The difference between the face value of shares issued by the Company and the value of shares and investment so cancelled has been recognized in Amalgamation Adjustment Deficit Account of ₹ (488,408) Mn. Also pursuant to merger of ITL with the Company, share capital of ITL and investment of the Company have been cancelled. The difference between equity of ITL and investment of the Company of ₹ (36) Mn has been recognized in Amalgamation Adjustment Deficit Account. From utilisation perspective, this is an unrestricted reserve.

(5) Includes ₹ 1,393 not available for distribution as dividend.

### NOTE 23 (A): LOANS FROM BANKS AND OTHERS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Secured Loans</b>		
<b>Term Loans</b>		
- Rupee loan from banks	13,103	49,325
<b>Total Secured loans (A)</b>	<b>13,103</b>	<b>49,325</b>
<b>Unsecured Loans</b>		
<b>Redeemable Non-Convertible Debentures (NCDs)</b>		
	14,954	14,934
<b>Term Loans</b>		
- Rupee loan from Others	306	587
<b>Total Unsecured Loans (B)</b>	<b>15,260</b>	<b>15,521</b>
<b>Total (A+B)</b>	<b>28,363</b>	<b>64,846</b>

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### (B): DEFERRED PAYMENT OBLIGATIONS (UNSECURED)

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Deferred Payment Liabilities towards Spectrum	1,071,602	941,773
Deferred Payment obligation pursuant to AGR judgment (refer note 3)	659,534	567,522
Deferred Payment Others	9	14
<b>Total</b>	<b>1,731,145</b>	<b>1,509,309</b>

### (C) (i) Security clause

Type of Borrowing	Outstanding Secured Loan Amount		Security Offered
	As at March 31, 2022	As at March 31, 2021	
Rupee Loan	9,950	9,950	First pari passu charge on movable fixed assets of the company excluding <sup>(1)</sup> : a) Spectrum and Telecom licenses b) Vehicles upto ₹ 2,500 Mn and c) Passive telecom infrastructure
Rupee Loan	66,271	77,056	First charge pari passu on all the movable assets (including current/non current assets), immovable assets and intangible assets of the Company excluding <sup>(1)</sup> : a) Spectrum and Telecom Licenses b) Vehicles upto ₹ 2,500 Mn and c) Passive Telecom Infrastructure
Rupee Loan	5,000	-	First charge pari passu on all the movable assets and current assets of the Company excluding: a) Spectrum and Telecom Licenses b) Vehicles upto ₹ 2,500 Mn and c) Passive Telecom Infrastructure d) Cash margin provided against specific facility (present or future)
Rupee Loan	22,500	-	a) a first ranking exclusive charge by way of hypothecation over all the Fiber Assets owned by one of the Group company (VITIL), the Current Assets in relation to such Fiber Assets and IRU Agreements entered into between VITIL and counter parties; b) an irrevocable and unconditional guarantee by VITIL by way of a Deed of Corporate Guarantee; c) a first ranking exclusive mortgage of an Immoveable Property situated at Jaipur, by way of deposit of title deeds. d) Extension of Fixed deposits upto ₹10,000 Mn out of cash margin given to SBI
<b>Sub-Total</b>	<b>103,721</b>	<b>87,006</b>	
Unamortised upfront fees	(46)	-	
<b>Total</b>	<b>103,675</b>	<b>87,006</b>	

<sup>(1)</sup> Security offered does not cover properties / assets acquired pursuant to amalgamation of VMSL and VinL with the Company, RoU assets and assets to which the title will be transferred to the company on final payment. (refer note 7(3)).

(ii) The Company has also provided charge against certain assets excluding ROU assets and assets to which the title will be transferred to the company on final payment (refer note 7(3)) for availing non-fund based facility towards bank guarantees/letter of credit including guarantee to DoT with respect to deferred payment liabilities towards spectrum, one time spectrum charges and various performance/roll out obligations.

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₹ Mn

The details of the same are as below:

Type of funding	Security Amount		Outstanding Facility Amount		Security Offered
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
	20,000	20,000	16,025	7,400	First Pari Passu charge on movable (including CWIP) and current assets of the Company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn and c) spectrum and telecom licenses
	24,250	24,250	19,908	24,250	Second pari passu charge on movable (including CWIP) and current assets of the Company <sup>(1)</sup>
	97,500	97,500	78,366	97,471	Second pari passu charge on movable (including CWIP) and current assets of the Company excluding <sup>(1)</sup> a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn and c) spectrum and telecom licenses
	3,000	3,000	319	402	Second pari passu charge on movable (including CWIP) assets of the Company <sup>(1)</sup>
	41,500	63,000	29,658	56,330	First pari passu charge on movable fixed assets of the Company acquired pursuant to amalgamation of VMSL and VInL with the company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn c) spectrum and telecom licenses
	21,500	-	16,147	-	First pari passu charge on movable fixed assets of the Company acquired pursuant to amalgamation of VMSL and VInL with the company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn c) spectrum and telecom licenses Charge on Fixed Deposit of ₹ 722 Mn
Bank Guarantee and Letter of Credit	19,350	19,350	19,346	19,346	a) a first ranking pari passu charge by way of hypothecation over all the Fiber Assets owned by one of the Group company (VITIL), the Current Assets in relation to such Fiber Assets and IRU Agreements entered into between VITIL and counter parties; b) an irrevocable and unconditional guarantee by VITIL by way of a Deed of Corporate Guarantee; and c) a first ranking pari passu mortgage of an Immovable Property situated at Jaipur, by way of deposit of title deeds. d) Charge on fixed deposit of ₹ 1,935 Mn
	5,142	5,142	4,839	4,907	(i) First pari passu charge on movable fixed assets of the Company acquired pursuant to amalgamation of VMSL and VInL with the company excluding a) passive telecom infrastructure b) vehicles upto ₹ 2,500 Mn c) spectrum and telecom licenses (ii) Charge on fixed deposit of ₹ 363 Mn
	10,000	-	8,133	-	Charge on fixed deposit upto ₹10,000 Mn
<b>Total</b>	<b>242,242</b>	<b>232,242</b>	<b>192,741</b>	<b>210,106</b>	

Note: Apart from this, the Company also has unsecured bank guarantees and letter of credits of ₹ 30,031 Mn. (March 31, 2021: ₹ 38,006 Mn.)

<sup>(1)</sup> Security offered does not cover properties / assets acquired pursuant to amalgamation of VMSL and VInL with the Company.<sup>(2)</sup> Subsequent to the balance sheet date, Bank Guarantees amounting to ₹ 148,514 Mn with respect to deferred payment liabilities towards spectrum and others have been released by DOT.

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### (D) REPAYMENT TERMS OF LOANS FROM BANKS AND OTHERS AS ON MARCH 31, 2022

₹ Mn

Type of Borrowing	Current maturities of loans from banks and others	Loans from banks and others excluding current maturities	Short term Loans from banks and others excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Secured Loans</b>					
a) Rupee Loan <sup>(1)</sup>	39,375	-	-	39,375	a) Repayable in 9 equal quarterly installments of 3.75% each of the total drawn amount starting June, 2022 b) Repayable in 8 equal quarterly installments of 5% each of the total drawn amount starting September, 2024 c) Repayable in 2 equal quarterly installments of 2.5% each of the total drawn amount starting September, 2026
b) Rupee Loan	-	9,950	-	9,950	Repayable in February, 2024
c) Rupee Loan <sup>(1)</sup>	25,500	-	-	25,500	Repayable in 17 equal quarterly installments starting June, 2022
d) Rupee Loan <sup>(1)</sup>	1,396	-	-	1,396	Repayable in June, 2026
e) Rupee Loan <sup>(2)</sup>	-	-	22,500	22,500	Repayable in June, 2022
f) Rupee Loan	1,818	3,182	-	5,000	Repayable in 11 quarterly equal installments starting from June, 2022
<b>Sub-Total</b>	<b>68,089</b>	<b>13,132</b>	<b>22,500</b>	<b>103,721</b>	
Unamortised upfront fees	(17)	(29)	-	(46)	
<b>Sub-Total (A)</b>	<b>68,072</b>	<b>13,103</b>	<b>22,500</b>	<b>103,675</b>	
<b>(ii) Unsecured Loans</b>					
a) Foreign currency Loan <sup>(1)</sup>	1,077	-	-	1,077	Repayable in 3 equal half yearly installments starting April, 2022
b) Foreign currency Loan <sup>(1)</sup>	3,813	-	-	3,813	Repayable in June 22
c) Foreign currency Loan <sup>(1)</sup>	3,919	-	-	3,919	Repayable in July 22
d) Rupee Term Loan <sup>(1)</sup>	40,000	-	-	40,000	Repayable in 4 equal quarterly installments starting September, 2022
e) Rupee Term Loan <sup>(1)</sup>	10,000	-	-	10,000	Repayable in 4 equal quarterly installments starting October 2022
f) Rupee Term Loan	282	306	-	588	Repayable in Half yearly installments starting from March, 2022 to December, 2023
k) 10.90% Redeemable Non Convertible Debentures	-	15,000	-	15,000	Repayable in September, 2023
<b>Sub-Total</b>	<b>59,091</b>	<b>15,306</b>	<b>-</b>	<b>74,397</b>	
Unamortised upfront fees	-	(46)	-	(46)	
<b>Sub-Total (B)</b>	<b>59,091</b>	<b>15,260</b>	<b>-</b>	<b>74,351</b>	
<b>Grand Total (A+B)</b>	<b>127,163</b>	<b>28,363</b>	<b>22,500</b>	<b>178,026</b>	

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### Repayment terms of loans from banks and others as on March 31, 2021

₹ Mn

Type of Borrowing	Current maturities of loans from banks and others	Loans from banks and others excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Secured Loans</b>				
a) Rupee Loan <sup>(1)</sup>	6,250	39,375	45,625	a) ₹ 625 Mn is repayable in June, 2021 b) Repayable in 12 equal quarterly installments of 3.75% each of the total drawn amount starting September, 2021 c) Repayable in 8 equal quarterly installments of 5% each of the total drawn amount starting September, 2024 d) Repayable in 2 equal quarterly installments of 2.5% each of the total drawn amount starting September, 2026
b) Rupee Loan	-	9,950	9,950	Repayable in February, 2024
c) Rupee Loan <sup>(1)</sup>	30,000	-	30,000	Repayable in 20 equal quarterly installments starting September, 2021
d) Rupee Loan <sup>(1)</sup>	1,431	-	1,431	Repayable in June, 2026
<b>Sub-Total (A)</b>	<b>37,681</b>	<b>49,325</b>	<b>87,006</b>	
<b>(ii) Unsecured Loans</b>				
a) Foreign currency Loan <sup>(1)</sup>	1,741	-	1,741	Repayable in 5 equal half yearly installments starting April, 2021
b) Foreign currency Loan <sup>(1)</sup>	580	-	580	Repayable in May, 2021
c) Foreign currency Loan <sup>(1)</sup>	7,394	-	7,394	Repayable in 2 equal annual installments starting June, 2021
d) Foreign currency Loan <sup>(1)</sup>	7,599	-	7,599	Repayable in 2 equal annual installments starting July, 2021
e) Rupee Term Loan <sup>(1)</sup>	40,000	-	40,000	Repayable in 4 equal quarterly installments starting September, 2022
f) Rupee Term Loan <sup>(1)</sup>	10,000	-	10,000	Repayable in 4 equal quarterly installments starting October 2022
g) Rupee Term Loan	913	587	1,500	Repayable in Half yearly installments starting from June 2021 to December 2023.
h) 7.57% Redeemable Non Convertible Debentures	15,000	-	15,000	Repayable in December, 2021
i) 7.77% Redeemable Non Convertible Debentures	15,000	-	15,000	Repayable in January, 2022
j) 8.04% Redeemable Non Convertible Debentures	20,000	-	20,000	Repayable in January, 2022
k) 8.03% Redeemable Non Convertible Debentures	5,000	-	5,000	Repayable in January, 2022
l) 8.03% Redeemable Non Convertible Debentures	5,000	-	5,000	Repayable in February, 2022
m) 10.90% Redeemable Non Convertible Debentures	-	15,000	15,000	Repayable in September, 2023
<b>Sub-Total</b>	<b>128,227</b>	<b>15,587</b>	<b>143,814</b>	
Unamortised upfront fees	(39)	(66)	(105)	
<b>Sub-Total (B)</b>	<b>128,188</b>	<b>15,521</b>	<b>143,709</b>	
<b>Grand Total (A+B)</b>	<b>165,869</b>	<b>64,846</b>	<b>230,715</b>	

<sup>(1)</sup> Some of the Company's loans are subjected to covenant clauses, whereby the Company is required to meet certain specified financial ratios. The Company has not met certain financial ratios for some of these arrangements, the gross outstanding amount for which as at March 31, 2022 was ₹ 125,080 Mn (March 31, 2021 ₹ 144,370 Mn). The Company has received waivers for loans amounting to ₹ NIL (March 31, 2021 ₹ 45,625 Mn). Accordingly, as at March 31, 2022 loans amounting to ₹ 68,131 Mn (March 31, 2021 ₹ 85,472 Mn) has been re-classified from non-current borrowings to current maturities of long term debt. As on the reporting date, none of the banks have approached for early repayment.

<sup>(2)</sup> Subsequent to the balance sheet date, the Company has repaid outstanding amount in April 2022.

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### (E) REPAYMENT TERMS OF DEFERRED PAYMENT OBLIGATIONS AS ON MARCH 31, 2022

₹ Mn

Type of Borrowing	Current maturities of deferred payment obligations	Deferred payment obligations excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Deferred Payment Liability (DPL) towards spectrum acquired in (refer note 3)</b>				
a) November - 2012 auctions	-	12,997	12,997	Repayable in 6 equal annual installments starting December, 2025
b) February - 2014 auctions	-	254,119	254,119	a) ₹ 250,864 Mn and Interest thereon will be repaid in 7 equal annual installments starting March, 2026 b) ₹ 3,255 Mn and interest thereon will be repaid in 7 equal annual installments starting September, 2026
c) March - 2015 auctions	-	561,308	561,308	a) ₹ 559,527 Mn and Interest thereon will be repaid in 8 equal annual installments starting April, 2026 b) ₹ 1,781 Mn and Interest thereon will be repaid in 7 equal annual installments starting September, 2026
d) October - 2016 auctions	-	229,065	229,065	Repayable in 10 equal annual installments starting October, 2025
e) March - 2021 auctions	-	14,113	14,113	Repayable in 16 equal annual installments starting March, 2024
<b>Sub-Total (A)</b>	<b>-</b>	<b>1,071,602</b>	<b>1,071,602</b>	
<b>(ii) Deferred Payment obligation pursuant to AGR judgment (refer note 3) (B)</b>	<b>-</b>	<b>659,534</b>	<b>659,534</b>	Repayable in 6 equal annual installments (including interest thereon) starting March, 2026
<b>(iii) Deferred Payment Others (C)</b>	<b>6</b>	<b>9</b>	<b>15</b>	Repayable in monthly installment starting April, 2022
<b>Grand Total (A+B+C)</b>	<b>6</b>	<b>1,731,145</b>	<b>1,731,151</b>	

### Repayment terms of deferred payment obligations as on March 31, 2021

₹ Mn

Type of Borrowing	Current maturities of deferred payment obligations	Deferred payment obligations excluding current maturities	Total	Repayment Terms for the Balance Amount
<b>(i) Deferred Payment Liability (DPL) towards spectrum acquired in (refer note 3)</b>				
a) November - 2012 auctions	752	11,090	11,842	Repayable in 10 equal annual installments starting December, 2021
b) February - 2014 auctions	12,306	218,711	231,017	a) ₹ 228,058 Mn and Interest thereon will be repaid in 11 equal annual installments starting March, 2022 b) ₹ 2,959 Mn and interest thereon will be repaid in 11 equal annual installments starting September, 2022
c) March - 2015 auctions	-	510,281	510,281	a) ₹ 508,661 Mn and Interest thereon will be repaid in 12 equal annual installments starting April, 2022 b) ₹ 1,620 Mn and Interest thereon will be repaid in 11 equal annual installments starting September, 2022
d) October - 2016 auctions	7,883	201,691	209,574	Repayable in 14 equal annual installments starting October, 2021
<b>Sub-Total (A)</b>	<b>20,941</b>	<b>941,773</b>	<b>962,714</b>	
<b>(ii) Deferred Payment obligation pursuant to AGR judgment (refer note 3) (B)</b>	<b>42,081</b>	<b>567,522</b>	<b>609,603</b>	Repayable in 10 equal annual installments (including interest thereon) starting March, 2022
<b>(iii) Deferred Payment Others (C)</b>	<b>57</b>	<b>14</b>	<b>71</b>	a) ₹ 50 Mn is repayable in June, 2021 b) ₹ 21 Mn is repayable in monthly installment starting April, 2021
<b>Grand Total (A+B+C)</b>	<b>63,079</b>	<b>1,509,309</b>	<b>1,572,388</b>	

(F) Interest rate for Rupee Term Loan ranges from 8.53% to 11.90% (March 31, 2021: from 8.53% to 11.40%). Foreign currency loan ranges from 1.65% to 1.69% (March 31, 2021: from 1.21% to 1.37%) and Deferred Payment obligations from 7.3% to 10% (March 31, 2021: from 8% to 10%).

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### NOTE 24: OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Security deposits	45	45
Payable for capital expenditure ((includes amount referred in note 7(3))	1,459	13,234
Interest accrued but not due on deferred payment obligations	66,957	49,990
Derivative liabilities at fair value through profit or loss (forward contracts)	-	6
<b>Total</b>	<b>68,461</b>	<b>63,275</b>

### NOTE 25: LONG TERM PROVISIONS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Gratuity (refer note 53)	243	211
Compensated absences	73	139
Asset retirement obligation (refer note 50)	68	66
<b>Total</b>	<b>384</b>	<b>416</b>

### NOTE 26: OTHER NON-CURRENT LIABILITIES

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Deferred Revenue	5,070	4,381
<b>Total</b>	<b>5,070</b>	<b>4,381</b>

### NOTE 27: SHORT TERM BORROWINGS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Secured Loans</b>		
Short term loan from bank (refer note 23(C) and 23(D))	22,500	-
Current maturities of loans from banks and others (refer note 23(C) and 23(D))	68,072	37,681
<b>Unsecured Loans</b>		
Current maturities of loans from banks and others (refer note 23(C) and 23(D))	59,091	128,188
Current maturities of Deferred payment obligations (refer note 23(E))	6	63,079
<b>Total</b>	<b>149,669</b>	<b>228,948</b>



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### NOTE 28: THE FOLLOWING IS AGEING SCHEDULE OF TRADE PAYABLES :

							₹ Mn
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
<b>As at March 31, 2022</b>							
Trade payables - Undisputed	16,745	34,410	9,551	6,501	2,961	70,168	
Accrued expenses						62,383	
<b>Total</b>						<b>132,551</b>	
Current						131,699	
Non Current						852	
<b>As at March 31, 2021</b>							
Trade payables - Undisputed	18,466	17,669	6,742	1,828	2,808	47,513	
Accrued expenses						86,512	
<b>Total</b>						<b>134,025</b>	
Current						132,757	
Non Current						1,268	

### NOTE 29: OTHER CURRENT FINANCIAL LIABILITIES

			₹ Mn
Particulars	<b>As at March 31, 2022</b>	As at March 31, 2021	
Payable for capital expenditure (includes amount referred in 7(3) and 57)	66,334	70,990	
Accrual towards One Time Spectrum Charges (OTSC) (refer note 43(vi))	49,572	43,898	
Interest accrued but not due on borrowings	2,648	13,962	
Unpaid dividend	2	3	
Derivative liabilities at fair value through profit or loss (forward contracts)	102	434	
Security deposits from customers and others	3,013	3,454	
Settlement Liability (refer note 43(iv))	17,265	-	
Others	670	575	
<b>Total</b>	<b>139,606</b>	<b>133,316</b>	

### NOTE 30: OTHER CURRENT LIABILITIES

			₹ Mn
Particulars	<b>As at March 31, 2022</b>	As at March 31, 2021	
Deferred revenue and advance from customers <sup>(1)</sup>	28,297	25,194	
Taxes, regulatory and statutory liabilities	47,538	38,614	
Others <sup>(2)</sup>	183	183	
<b>Total</b>	<b>76,018</b>	<b>63,991</b>	

<sup>(1)</sup> Revenue recognised during the year from deferred revenue and advance from customers (contract liability) at the beginning of the year is ₹ 25,194 Mn. (March 31, 2021: ₹ 27,042 Mn)

<sup>(2)</sup> Represents money received from distributors and enterprise customers and outstanding liability to customers and merchants.

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### NOTE 31: SHORT TERM PROVISIONS

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Gratuity (refer note 53)	66	229
Compensated absences	56	130
Asset retirement obligation (refer note 50)	101	98
Provision for tax (net of Advance tax of ₹ Nil (March 31, 2021: ₹ Nil))	15	1
<b>Total</b>	<b>238</b>	<b>458</b>

### NOTE 32: OTHER OPERATING INCOME

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Liabilities no longer required written back	70	46
Miscellaneous receipts	101	94
<b>Total</b>	<b>171</b>	<b>140</b>

### NOTE 33: OTHER INCOME

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income (includes amount referred in note 57)	877	1,232
Gain on Mutual Funds (including fair value gain/(loss))	180	404
Others	237	106
<b>Total</b>	<b>1,294</b>	<b>1,742</b>

### NOTE 34: EMPLOYEE BENEFIT EXPENSES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	15,512	17,994
Contribution to provident, gratuity and other funds (refer note 53)	1,080	1,423
Share based payment expenses (ESOS) (refer note 52) <sup>(1) &amp; (2)</sup>	(16)	35
Staff welfare	750	842
Recruitment and training	25	6
<b>Total</b>	<b>17,351</b>	<b>20,300</b>

<sup>(1)</sup> includes charge on account of cash settled ESOP ₹ 6 Mn (March 31, 2021: ₹ 35 Mn).

<sup>(2)</sup> The charge for the period is net of reversal on account of cancellation of unvested options of ₹ Nil (March 31, 2021 : ₹ \* Mn).

\*Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

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### NOTE 35: NETWORK EXPENSES AND IT OUTSOURCING COST

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Security service charges	454	358
Power and fuel	56,579	55,385
Repairs and maintenance - plant and machinery	26,969	25,407
Lease line and connectivity charges	4,650	4,944
Network insurance	634	616
Other network operating expenses	1,957	1,578
IT outsourcing cost	6,939	7,650
<b>Total</b>	<b>98,182</b>	<b>95,938</b>

### NOTE 36: LICENSE FEES AND SPECTRUM USAGE CHARGES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
License fees	29,120	28,586
Spectrum usage charges	12,868	12,709
<b>Total</b>	<b>41,988</b>	<b>41,295</b>

### NOTE 37: ROAMING AND ACCESS CHARGES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Roaming charges	2,286	2,588
Access charges	26,869	50,318
<b>Total</b>	<b>29,155</b>	<b>52,906</b>

### NOTE 38: SUBSCRIBER ACQUISITION AND SERVICING EXPENDITURE

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost of sim and recharge vouchers	1,059	698
Commission to dealers and others (refer note 46)	13,404	11,272
Customer verification expenses (refer note 46)	294	348
Collection, telecalling and servicing expenses	3,917	4,591
Customer retention and customer loyalty expenses	1,037	768
<b>Total</b>	<b>19,711</b>	<b>17,677</b>

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### NOTE 39: ADVERTISEMENT, BUSINESS PROMOTION EXPENDITURE AND CONTENT COST

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Advertisement & Business promotion expenditure	3,560	1,994
Content cost	6,231	5,881
<b>Total</b>	<b>9,791</b>	<b>7,875</b>

### NOTE 40: OTHER EXPENSES

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance		
Building	96	106
Others	2,667	2,924
Other insurance	18	25
Rates and taxes	151	247
Electricity	627	654
Printing and stationery	45	36
Communication expenses	93	78
Travelling and conveyance	463	377
Bad debts / advances written off	1,756	3,873
Allowances for doubtful debts and advances (refer note 49)	479	(437)
Loss / (Gain) on disposal of property, plant and equipment (net)	(679)	5
Bank charges	5	1
Directors Sitting Fees (refer note 57)	12	9
Legal and professional charges <sup>(1)</sup>	608	616
Audit fees	78	78
CSR expenditure	2	3
Support service charges (refer note 57)	397	3,528
Miscellaneous expenses <sup>(2)</sup>	1,728	1,921
<b>Total</b>	<b>8,546</b>	<b>14,044</b>

<sup>(1)</sup> Includes certification fees to statutory auditors ₹ 5 Mn (March 31, 2021: ₹ 5 Mn).

<sup>(2)</sup> Includes out of pocket expenses to statutory auditors ₹ \* Mn (March 31, 2021: ₹ 1 Mn).

\*Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

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### NOTE 41: FINANCE COSTS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
₹ Mn		
Interest		
- On fixed period loan	20,664	23,144
- On deferred payment liability towards spectrum	101,665	91,730
- On deferred payment obligation pursuant to AGR judgement (refer note 3)	49,931	33,763
- On lease liabilities (refer note 47)	18,956	20,806
- On One Time Spectrum Charges (refer note 43(vi))	5,674	-
- Others	5,953	5,951
Other finance charges	5,586	5,270
<b>Total interest expense</b>	<b>208,429</b>	<b>180,664</b>
Exchange difference (net)	1,718	(1,952)
Loss / (gain) on derivatives (including fair value changes on derivatives)	(339)	1,269
<b>Total</b>	<b>209,808</b>	<b>179,981</b>

### NOTE 42: EXCEPTIONAL ITEMS (NET)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
₹ Mn		
Gain on sale of stake in Indus (refer note 43(iii))	-	21,189
Integration and merger related costs	764	(9,892)
Impact due to cancellation of lease contract on network re-alignment	-	1,696
Accelerated depreciation on network re-alignment / re-farming	(137)	(5,745)
Impairment of Brand (refer note 43(ii))	-	(7,246)
License fees and SUC on AGR (refer note 3)	-	(194,405)
One Time Spectrum Charges (refer note 43(vi))	-	(5,027)
Gain on Investment property (leasehold land) (refer note 43(v))	1,266	-
Others	(250)	(251)
<b>Total</b>	<b>1,643</b>	<b>(199,681)</b>

<sup>(1)</sup> Amounts given in above Exceptional items (net) note represents Exceptional gain/(loss).

### NOTE 43: SIGNIFICANT TRANSACTIONS / NEW DEVELOPMENTS

- i) During the year, after the requisite Board and shareholders' approval, the Company, had allotted 3,383,458,645 Equity Shares of face value of ₹ 10 each to entities forming part of promoter / promoter group on preferential basis at a price of ₹ 13.30 per Equity Share, including a premium of ₹ 3.30/- per Equity Share, aggregating ₹ 45,000 Mn.
- ii) During the previous year, the Company unveiled a new integrated brand identity Vi! on September 4, 2020. As a result, with the expected increased usage of Vi, the utility of its existing intangible asset of Vodafone brand is expected to decline over the contractual useful life of the asset as a result of gradual diminution in company's inclination on developing & maintaining the existing Vodafone Marks, though Vi! continues to have the right to use it over its remaining life. Accordingly, the company has carried out an impairment assessment as well as re-estimated the useful economic life of its intangible asset of Vodafone brand as at the integrated brand launch date.

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As per the assessment, the carrying value of the intangible asset stands at ₹ 15,039 Mn as at the integrated brand launch date. The value has been determined using Relief from Royalty method applying a royalty rate to the royalty base to estimate the royalty payments over the remaining life of the asset. Royalty base represents revenue attributable to Vodafone Marks over the remaining life of the asset.

As a result of this analysis, during the previous year an impairment charge of ₹ 7,246 Mn has been recognized as exceptional item.

Key assumptions used in value-in-use calculations:

- Revenue CAGR considered for royalty base: Based on the estimated growth rate over the five-year budget period for the Company and thereafter based on terminal growth rate of 5%
  - Royalty rate: Pre-tax Royalty rate charged for use of brand in India
  - Discount rate: Based on the risk-free rate for a ten-year Government bonds benchmark yields as on the valuation date adjusted for risk premium to reflect both the increased risk of investing in equities and the systematic risk of VIL. In making this adjustment, inputs required are the equity market risk premium and the risk adjustment beta applied to reflect the risk of the specific operating company relative to the market as a whole. Discount rate considered for determining the value is 13.1%.
- iii) The scheme of amalgamation and arrangement between Bharti Infratel Limited and Indus became effective from November 19, 2020. Pursuant to aforesaid, Indus was dissolved without being wound up and got merged with Bharti Infratel Limited (the merged entity is thereafter named as Indus Towers Limited) on a going concern basis.

On November 19, 2020, the Company sold its 11.15% stake in Indus for a consideration of ₹ 37,472 Mn (net of expenses incurred on sale) to Bharti Infratel Limited and recognised a gain on sale amounting to ₹ 21,189 Mn (net of cost to sell) as exceptional items. Accordingly, during the previous year, the Group has recognized its share of net profit in Indus amounting to ₹ 2,300 Mn till November 18, 2020 as per equity method of accounting for its stake in Indus.

- iv) The Implementation Agreement entered between the parties defines a settlement mechanism between the Company and the promoters of erstwhile Vodafone India Limited ("VInL") for any cash inflow/outflow that could possibly arise to/by the Company towards settlement of certain outstanding disputes pertaining to the period until May 31, 2018. As at March 31, 2021, the Company had recognized settlement assets amounting to ₹ 63,939 Mn. The settlement of such assets recognized was to happen periodically based on cash inflow/ outflow incurred as defined in the Implementation Agreement starting from June 2020 but not beyond June 2025. During current year, the Company has classified ₹ 17,265 Mn received mainly on account of income tax refund for the period July 2020 till March 2022 as payable to VInL promoters on the next settlement date as per the terms of the Implementation Agreement. The balance receivables of ₹ 81,204 Mn as at March 31, 2022 is subject to further cash inflows / outflows incurred till June, 2025 and hence classified as non-current financial assets. The Company believes that it will be able to recover this amount in terms of the Implementation Agreement even if the related liabilities are paid beyond June, 2025 based on the deferment of AGR dues availed by the Company. The settlement between the Company and VInL promoters for any cash outflow that could possibly arise shall be subject to requisite approvals, if any, which would be evaluated/obtained at the time of actual settlement if any, to VInL promoters.
- v) As on March 31, 2021, the Group has classified Investment Property (Leasehold land) as asset held for sale with carrying value of ₹ 653 Mn. As on June 30, 2021, the Group has sold Investment Property (Leasehold land) for a consideration of ₹ 1,870 Mn and accordingly, gain on sale of Investment Property (Leasehold land) of Rs 1,266 Mn (net of expenses) has been recognised as exceptional item.
- vi) One Time Spectrum Charges (Beyond 4.4 MHz):

During the financial year 2012-13, DoT had issued demand notices towards one time spectrum charges (hereinafter referred to as "OTSC"). The demands on the Company i.e. formerly Idea Cellular Limited have been challenged by way of writ petition before the Bombay High Court (BHC). The erstwhile Vodafone India Limited (VInL) and erstwhile Vodafone Mobile Services Limited (VMSL) had challenged the demands before the TDSAT. The grounds taken before BHC and TDSAT were different though.

On July 4, 2019 TDSAT in its judgement quashed the demands levied on erstwhile VInL and VMSL and inter alia held that:

- For spectrum up to 6.2 MHz, OTSC is not chargeable and accordingly demand set aside.
- For spectrum beyond 6.2 MHz,

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- Allotment after July 1, 2008, OTSC shall be levied from the date of allotment of such spectrum.
- Allotment before July 1, 2008, OTSC shall be levied from January 1, 2013 till the date of expiry of license.
- Conditions as stated in para 1 (v) of the impugned order dated December 28, 2012 (given hereunder) is arbitrary and illegal and is accordingly set aside, i.e. Upfront charges in the case of spectrum holding in multiple bands (900 MHz and 1800 MHz), spectrum in 1800 MHz band will be accounted for first, towards the limit of 4.4 MHz was held to be arbitrary and illegal and accordingly set aside.

Thereafter VIL filed an appeal before the Hon'ble Supreme Court against the TDSAT judgement. On March 16, 2020, Hon'ble Supreme Court dismissed the petition filed by the Company challenging the levy of OTSC beyond 6.2 MHz. Following the dismissal of the Company's appeal by the Hon'ble Supreme Court on March 16, 2020, the Company is yet to receive any demand from DoT in line with the TDSAT order. VIL proceedings before the BHC in respect of Idea Cellular Limited remains pending. DoT preferred an appeal against the entire TDSAT judgement and sought stay on the impugned judgement. The matter is pending before the Hon'ble Supreme Court.

The Company, on prudence basis, has recognized a charge for spectrum holding beyond 6.2 MHz in line with the TDSAT order. The amount has been calculated basis the demand computation that was raised by DoT in July 2018 for Bank Guarantees to be given for OTSC in line with the M&A guidelines at the time of merger. Accordingly, an amount of ₹ 5,027 Mn has been recognised as exceptional items during the year ended March 31, 2021. During the year ended March 31, 2022, the Company has recognised ₹ 5,674 Mn as interest cost in Profit and loss account.

#### NOTE 44: CAPITAL AND OTHER COMMITMENTS

Estimated amount of commitments are as follows:

- Spectrum won in auctions and not assigned to the Company as on the balance sheet date ₹ Nil (March 31, 2021: ₹ 14,224 Mn).
- Contracts remaining to be executed for capital expenditure (net of advances) and not provided for are ₹ 29,164 Mn (March 31, 2021: ₹ 26,647 Mn).
- Long term contracts remaining to be executed including early termination commitments (if any) are ₹ 32,685 Mn (March 31, 2021: ₹ 41,151 Mn).

#### NOTE 45: CONTINGENT LIABILITIES NOT PROVIDED FOR

##### A) Licensing Disputes:

- OTSC (Less than 4.4 MHz) – ₹ 38,570 Mn (March 31, 2021: ₹ 38,570 Mn):

In FY 2015-16 erstwhile VMSL received demands from DoT towards One time spectrum charges for less than 4.4 MHz pursuant to the transfer of licenses of certain subsidiaries amounting to ₹ 33,495 Mn. The Company believes the charges levied by DoT are not tenable, since the merger guidelines are not applicable considering that the said merger did not involve any intra-circle merger and did not result in increase in spectrum holding of the Company. The Demand is challenged and remains sub-judice at TDSAT.

Also, in FY 2015-16, erstwhile VMSL received demand from DoT towards extension of license of Tamil Nadu circle for making it co-terminus with license of Chennai circle amounting to ₹ 5,075 Mn. The Company believes the charges levied by DoT are not tenable, considering the merger of licenses is as per the guidelines issued by DoT in 2005 and as such does not get covered under as per clause 3 (i) and (m) of the M&A guidelines dated February 20, 2014. The Demand is challenged and remains sub-judice at TDSAT.

- Other Licensing Disputes – ₹ 93,911 Mn (March 31, 2021: ₹ 70,648 Mn):

- In December 2016, the Company had challenged the TRAI recommendation of levying penalty for allegedly denying points of interconnect (Pols) to Reliance Jio, citing Telecom Regulatory Authority of India's (TRAI) move "arbitrary and biased" and one which exceeds the sectorial watchdog's jurisdiction. The Hon'ble Delhi High Court suggested that DoT could consider objections raised by VIL in its plea along with the TRAI recommendations. During the year on September 29, 2021, DoT had issued demand notice for imposition of financial penalty amounting to ₹ 20,000 Mn for violation of the provisions of license agreements and standards of Quality of service of basic telephone service (wireline) and SMTS regulation 2009. The Company has filed petition with Hon'ble TDSAT on October 11, 2021 against the demand raised by DoT.

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In the recent hearing interim, relief has been granted stating no coercive action shall be taken for realisation of penalty under challenge. The matter is yet to be concluded.

- Additional demands towards AGR dues for which the company has written to DoT requesting corrections of certain computational errors, admissible pass-through not considered based on the principles laid down in the AGR judgement (Refer note 3).
- Disputes relating to alleged non-compliance of licensing conditions & other disputes with DoT (including those towards CAF Audit and EMF), either filed by or against the Company and pending before Hon'ble Supreme Court / TDSAT.
- Demands on account of alleged violations in license conditions relating to amalgamation of erstwhile Spice Communications Limited currently sub-judice before the Hon'ble TDSAT.
- Demand with respect to upfront spectrum amounts for continuation of services from February 2, 2012 till various dates in the service areas where the licenses were quashed following the Hon'ble Supreme Court Order.

In October 2015, DoT issued interim guidelines, wherein Microwave Spectrum held by expired /expiring licenses was declared as being held on a provisional basis subject to final outcome of DoT's decision on recommendation by TRAI on the allocation and pricing of Microwave Spectrum. The interim guidelines issued by DoT are not in line with the understanding provided during the earlier auctions as part of Notice Inviting Application (NIA) for the spectrum auction.

Basis the interim guidelines, DoT has instructed the Company to provide an undertaking that the pricing and allocation decisions of DoT would be considered final in this respect. The Company has not provided the said undertaking or signed the agreement being against the express and binding confirmations under NIA. Further TDSAT vide its order dated March 13, 2019 set aside the Impugned guidelines and stated 2006 rates hold to be valid, which should be applied from future date as and when notified by DoT as per the judgment. The Hon'ble Supreme Court vide its order dated November 8, 2019 stayed the TDSAT order and directed the Company to furnish bank guarantee till the next date of hearing. Accordingly, the implication of the said order is not considered in these financial statements.

### B) Other Matters not acknowledged as debt

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Income tax matters (see note i below)	14,889	14,208
Sales tax and entertainment tax matters (see note ii below)	2,182	2,158
Service tax/Goods and Service Tax(GST) matters (see note iii below)	16,146	16,951
Entry tax and customs matters (see note iv below)	5,251	5,247
Other claims (see note v below)	28,655	23,690
<b>Total</b>	<b>67,123</b>	<b>62,254</b>

#### i. Income Tax Matters (including Tax deducted at source)

- Appeals filed by the Group against the demands raised by the Income Tax Authorities relates to disputes on non-applicability of tax deductions at source on prepaid margin allowed to prepaid distributors, disputes relating to denial of tax holiday benefit from certain business receipts etc.

The above matters contested by the Group are pending at various appellate authorities against the tax authorities.

#### ii. Sales Tax and Entertainment Tax

- Sales Tax demands mainly relates to the demands raised by the VAT/Sales Tax authorities of few states on Broadband Connectivity, SIM cards etc. on which the Group has already paid Service Tax.
- Demand of tax for non-submission of Declaration forms viz. C forms & F forms in stipulated time limit.
- In one state entertainment tax is being demanded on revenue from value added services.

#### iii. Service Tax/ Goods and Service Tax (GST)

Service Tax / GST demands mainly relates to the following matters:



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- Denial of Cenvat credit related to Towers and Shelters.
  - Disallowance of Cenvat Credit on input services viewed as ineligible credit
  - Demand of service tax on SMS termination charges, Demand of service tax on reversal of input credit on various matters including on removal of passive infrastructure.
- iv. Entry Tax and Customs
- Entry Tax disputes pertains to classification / valuation of goods.
  - Demand of customs duty/anti-dumping duty on dispute relating to classification issue. The Group has challenged these demands which are pending at various forums.
- v. Other claims not acknowledged as debts
- Mainly include consumer forum cases, disputed matters with local Municipal Corporation, Regional Provident Fund Commission and other miscellaneous sub-judiced disputes.
  - Disputes with the Electricity Boards on matters relating classification of Mobility Towers into Industrial v/s commercial

The future cash outflows in respect of the above matters are determinable only on receipt of judgments/ decisions from such forums/ authorities. Further, based on the Group's evaluation, it believes that it is not probable that the claims will materialise and therefore, no provision has been recognised for the above.

### NOTE 46: COSTS TO OBTAIN OR FULFIL A CONTRACT WITH A CUSTOMER

The Company incurs certain costs to obtain or fulfil contracts with customers. Effective October 1, 2020 the Company, based on its updated estimate of the average customer life, has deferred subscriber acquisition cost in accordance with its policy. Such cost will be amortized over the average expected customer relationship period. The financial impact of this change has resulted in decrease of the Company's loss before and after tax by ₹ 14,076 Mn for the year ended March 31, 2022 (March 31, 2021: ₹ 8,028 Mn).

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Costs to obtain a contract with the customer</b>		
Opening Balance	8,028	-
Costs incurred	20,969	8,773
Less: Cost amortized	(6,893)	(745)
<b>Closing balance</b>	<b>22,104</b>	<b>8,028</b>
Current	11,511	2,862
Non-current	10,593	5,166

### NOTE 47: LEASES

#### a) Group as lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	₹ Mn				
	Land & Building	Cell sites	IRU	Others	Total
<b>As at April 1, 2020</b>	<b>12,672</b>	<b>166,515</b>	<b>21,169</b>	<b>3,383</b>	<b>203,739</b>
Additions <sup>(1)</sup>	2,308	26,463	3,568	-	32,339
Deletions/Adjustments <sup>(2)</sup>	(1,136)	(5,585)	(7)	(2)	(6,730)
Depreciation expenses	(3,408)	(54,933)	(2,199)	(1,322)	(61,862)
<b>As at March 31, 2021</b>	<b>10,436</b>	<b>132,460</b>	<b>22,531</b>	<b>2,059</b>	<b>167,486</b>
Additions <sup>(1)</sup>	1,768	69,505	2,585	-	73,858
Deletions/Adjustments <sup>(2)</sup>	(263)	(8,554)	(1)	(5)	(8,823)
Depreciation expenses	(2,837)	(57,293)	(2,381)	(986)	(63,497)
<b>As at March 31, 2022</b>	<b>9,104</b>	<b>136,118</b>	<b>22,734</b>	<b>1,068</b>	<b>169,024</b>

<sup>(1)</sup> Additions includes addition of new leases, modification to existing lease in form of lease extension or restriction.

<sup>(2)</sup> Includes reversal of ₹ Nil (March 31, 2021: charge of ₹ 536 Mn) on accelerated depreciation on account of network re-alignment.

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Set out below are the carrying amounts of lease liabilities (included under lease liabilities) and the movements during the year:

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Opening</b>	<b>214,099</b>	<b>268,792</b>
Additions	73,889	32,272
Accretion of interest	18,956	20,806
Payments	(69,397)	(95,555)
Deletion	(9,113)	(12,216)
<b>Closing</b>	<b>228,434</b>	<b>214,099</b>
Current	114,109	104,555
Non-current	114,325	109,544

The maturity analysis of lease liabilities is disclosed in note 59.

The following are the amounts recognized in statement of profit and loss:

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation	63,497	61,862
Interest expense on lease liabilities	18,956	20,806
Exceptional Items (net)	-	(1,696)
<b>Total amount recognized in profit and loss</b>	<b>82,453</b>	<b>80,972</b>

#### (b) Group as lessor

The Group has leased certain Optical Fibre Cables pairs (OFC) on Indefeasible Rights of Use ("IRU") basis under operating lease arrangements. The Group recognised revenue from operating lease of ₹ 422 Mn. (March 31, 2021: ₹ 356 Mn).

### NOTE 48: DETAILS OF FOREIGN CURRENCY EXPOSURES

#### a. Hedged by a Derivative Instrument

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Foreign Currency Loan</b>		
Foreign Currency Loan in USD	111	86
Equivalent ₹ of Foreign Currency Loan <sup>(1)</sup>	8,607	6,703
<b>Trade Payables and Other financial liability</b>		
Trade Payables and Other financial liability in USD	30	54
Interest accrued but not due on Foreign Currency Loans in USD	-*	-*
Equivalent ₹ of Trade Payables and Other financial liability <sup>(1)</sup>	2,327	4,070

<sup>(1)</sup> Amount in ₹ represents conversion at hedged rate

\* Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

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### b. Not hedged by a Derivative Instrument or otherwise

₹ Mn

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Foreign Currency Loan</b>		
Foreign Currency Loan in USD	5	149
Equivalent ₹ of Foreign Currency Loan <sup>(1)</sup>	359	10,976
<b>Trade Payables and Other financial liability</b>		
In USD	512	720
In EURO	172	153
In GBP	12	15
In Other Currency	-*	-*
Equivalent ₹ of Trade Payables and other financial liability in Foreign Currency <sup>(1)</sup>	54,471	67,595
<b>Trade Receivables</b>		
In USD	77	74
In EURO	-*	-*
In GBP	-*	3
<b>Balances with banks-In current accounts in USD</b>		
	1	1
Equivalent ₹ of Trade Receivables and bank balances in Foreign Currency <sup>(1)</sup>	5,881	5,850

<sup>(1)</sup> Amount in ₹ represents conversion at closing rate

\*Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

### NOTE 49: MOVEMENT OF ALLOWANCES FOR DOUBTFUL DEBTS/ADVANCES

₹ Mn

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	14,746	15,183
Charged to Statement of Profit and Loss (Net) (refer Note 40) <sup>(1)</sup>	479	(437)
<b>Closing Balance</b>	<b>15,225</b>	<b>14,746</b>

<sup>(1)</sup> Includes charge of ₹ 328 Mn for doubtful advance income tax

### NOTE 50: ASSET RETIREMENT OBLIGATION

The Group installs equipment's on leased premises to provide seamless connectivity to its customers. In certain cases, the Group may have to incur some cost to remove such equipment's on leased premises. Estimated costs to be incurred for restoration is capitalised along with the assets. The movement of provision as required in Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets" is given below:

₹ Mn

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	164	169
Unwinding of discount	5	9
Utilisation	-	(14)
<b>Closing Balance</b>	<b>169</b>	<b>164</b>
Current	101	98
Non-current	68	66

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### NOTE 51: SEGMENT INFORMATION

The Chief Operating Decision maker primarily focusses on Mobility business in making decisions on operating matters and on allocating resources in evaluating performance. Accordingly, the Group operates only in one reportable segment i.e. Mobility and hence no separate disclosure is required for Segment.

### NOTE 52: SHARE BASED PAYMENTS

#### a) Employee stock option plan - options granted by Vodafone Idea Limited

The Group has granted stock options as well as restricted stock units (RSU's) under ESOS 2013 to the eligible employees of the Company and its subsidiaries from time to time. These options, subject to fulfilment of vesting conditions, would vest in 4 equal annual instalments after one year of the grant and the RSU's will vest after 3 years from the date of grant. The maximum period for exercise of options and RSU's is 5 years from the date of vesting. Each option and RSU when exercised would be converted into one fully paid-up equity share of ₹ 10 each of the Company. The options as well as RSUs granted under the ESOS 2013 scheme carry no rights to dividends and no voting rights till the date of exercise.

The fair value of the share options is estimated at the grant date using Black and Scholes Model, taking into account the terms and conditions upon which the share options were granted.

There were no modifications to the options/RSU's during the year ended March 31, 2022 and March 31, 2021. During the year, certain unvested options were cancelled on non-fulfilment of certain vesting conditions under ESOS 2013. In the current year, ₹ 311 Mn (March 31, 2021: ₹ 295 Mn) is adjusted against Retained earnings in respect of cancellation/expiration of vested stock option.

As at year ended March 31, 2022 and March 31, 2021, details and movements of the outstanding options are as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
<b>i) Options granted under ESOS 2013</b>				
Options outstanding at the beginning of the year	4,178,076	125.58	8,440,553	126.41
Options cancelled during the year	131,607	124.05	604,868	128.10
Options expired during the year	3,727,225	126.67	3,657,609	127.08
Options outstanding at the end of the year	319,244	113.50	4,178,076	125.58
Options exercisable at the end of the year	319,244	113.50	4,178,076	125.58
Range of exercise price of outstanding options (₹)	110.45 - 150.10		110.45 - 150.10	
Remaining contractual life of outstanding options (months)	25		18	
<b>ii) RSU's granted under ESOS 2013</b>				
RSU's outstanding at the beginning of the year	1,039,012	10.00	1,283,659	10.00
RSU's cancelled during the year	106,231	10.00	244,647	10.00
RSU's expired during the year	565,157	10.00	-	-
RSU's outstanding at the end of the year	367,624	10.00	1,039,012	10.00
RSU's exercisable at the end of the year	367,624	10.00	1,039,012	10.00
Range of exercise price of outstanding RSU's (₹)	10.00		10.00	
Remaining contractual life of outstanding RSU's (months)	24		21	

₹ Mn

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The fair value of each option and RSU is estimated on the date of grant / re-pricing based on the following assumptions:

₹ Mn

Particulars	Options ESOS 2013			
	Tranche I (11/02/14)	Tranche II (29/12/14)	Tranche III (21/1/16)	Tranche IV (11/2/17)
	Stock options	Stock options	Stock options	Stock options
Dividend yield (%)	0.24	0.40	0.51	0.54
Expected life	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months	6 yrs 6 months
Risk free interest rate (%)	8.81 - 8.95	8.04 - 8.06	7.42 - 7.66	6.68 - 7.03
Volatility (%)	34.13-44.81	34.28-42.65	34.24 - 35.33	36.37 - 38.87
Market price on date of grant (₹)	126.45	150.10	117.55	110.45
Fair Value	60.51 <sup>^</sup>	66.27	48.97	46.39

<sup>^</sup>As on the date of transition from IGAAP to Ind AS on April 1, 2015, first instalment of the grant were vested and therefore, in line with the exemptions under Ind AS 101, the expense of such share based payment has been recognised based on intrinsic value.

₹ Mn

Particulars	RSU's ESOS 2013			
	Tranche I	Tranche II	Tranche III	Tranche IV
	Restricted Stock Units	Restricted Stock Units	Restricted Stock Units	Restricted Stock Units
Dividend yield (%)	0.24	0.40	0.51	0.54
Expected life	5 yrs 6 months	5 yrs 6 months	5 yrs 6 months	5 yrs 6 months
Risk free interest rate (%)	8.91	8.05	7.60	6.94
Volatility (%)	43.95	35.66	34.24	37.21
Market price on date of grant (₹)	126.45	150.10	117.55	110.45
Fair Value	118.70	140.41	107.71	100.40

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The volatility is based on the historical share price over a period similar to the expected life of the options.

#### b) Employee stock option plan – options granted by Vodafone Group Plc

##### i. Global Long Term Incentive (“GLTI”):

GLTI is a restricted share plan granted to incentivise delivery of sustained performance over the long term plan to selected employees of the Group. In addition to the 3 years vesting conditions, options of certain schemes would depend on achievement of the performance conditions of the Group and Vodafone Group Plc. The plans are administered by Vodafone Group Plc. and the information disclosed is to the extent available.

##### ii. Global Long Term Retention (“GLTR”):

GLTR plan is a restricted share plan granted as a retention tool to selected employees in the middle management. The options vest in 3 years/2 years after the grant date provided the employees remain in the continued employment of the Group during the vesting period.

##### iii. Vodafone Global Incentive Plan (“VGIP”):

VGIP is a restricted plan granted as an investment plan to senior management. These options vest in 3 years after the grant date provided the employee remains in the continued employment of the Group during the vesting period. The vesting of these options were subject to satisfaction of performance conditions of the Group and Vodafone Group Plc. and market based condition, based on total shareholder return (TSR), which is taken into account when calculating the fair value of share awards. The valuation for the TSR is based on Vodafone’s ranking within the same group of companies, where possible over the past five years.

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As at year ended March 31, 2022 and March 31, 2021, details and movements of the outstanding options are as follows:

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
	No. of Options	No. of Options
<b>i) Options granted under GLTI / GLTR</b>		
Options outstanding at the beginning of the year	271,591	3,150,236
Options granted during the year	-	14,921
Options forfeited during the year	-	584,706
Options exercised during the year	220,959	2,308,860
Options outstanding at the end of the year	50,632	271,591
Options exercisable at the end of the year	50,632	271,591
Weighted average remaining contractual life of the options outstanding at the end of the year (months)	3	5
<b>ii) Options granted under VGIP</b>		
Options outstanding at the beginning of the year	-	875,693
Options forfeited during the year	-	435,902
Options exercised during the year	-	439,791
Options outstanding at the end of the year	-	-
Options exercisable at the end of the year	-	-
Weighted average remaining contractual life of the options outstanding at the end of the year (months)	-	-

The exercise price is Nil and hence the weighted average exercise price is not disclosed. Liability at the end of year ended March 31, 2022 is ₹ 6 Mn (March 31, 2021: ₹ 30 Mn).

Fair value of option is measured by deducting the present value of expected dividend cash flows over the life of the awards from the share price as at the grant date.

The fair value of each option is mentioned below:

Particulars	Grant date	Expected life	Market price on date of grant/re-pricing (₹)	Fair Value on the date of grant (₹)
GLTI/ GLTR	26/06/18	3 years / 2 years continuous employment for GLTR and performance conditions apply as noted in (i) above for GLTI	166	166
	26/06/19	3 years / 2 years continuous employment for GLTR and performance conditions apply as noted in (i) above for GLTI	110	110
	26/06/20	3 years / 2 years continuous employment for GLTR and performance conditions apply as noted in (i) above for GLTI	117	116
VGIP	4/8/2017 <sup>(1)</sup>	3 years continuous employment for VGIP and performance conditions apply as noted in (iii) above for VGIP	189	91
	04/08/17	3 years continuous employment for VGIP and performance conditions apply as noted in (iii) above for VGIP	189	188

<sup>(1)</sup> Vesting percentage: 48.30%

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### NOTE 53: EMPLOYEE BENEFITS

#### A. Defined Benefit Plan (Gratuity)

##### General description and benefits of the plan

The respective companies in the Group operate a defined benefit final salary gratuity plan through a trust. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The benefit is payable on termination of service or retirement, whichever is earlier. The employees do not contribute towards this plan and the full cost of providing these benefits are borne by the Group.

##### Regulatory framework, funding arrangement and governance of the Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Group and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax act and rules. The Group is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Group's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan vis-a-vis settlements. The trustees of the trust are responsible for the overall governance of the plan. The trustees of the plan have outsourced the investment management of the fund to insurance companies which in turn manage these funds as per the mandate provided to them by the trustees and applicable insurance and other regulations.

##### Inherent risks

The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Group that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The following tables summarizes the components of net benefit expense recognized in the Consolidated Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for gratuity:

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Amount recognised in Balance Sheet</b>		
Present value of obligations as at the end of the year	2,593	2,703
Fair value of plan assets as at the end of the year	2,442	2,375
Net Funded Obligation	151	328
Present value of unfunded obligations	158	112
Net Asset/(Liability) recognised in Balance Sheet	(309)	(440)
Net Asset/(Liability) recognised in Balance Sheet is bifurcated as		
- Long term provision	(243)	(211)
- Short term provision	(66)	(229)

Sr. No.	Particulars	₹ Mn	
		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1</b>	<b>Reconciliation of Net Defined Benefit Obligation</b>		
	Opening Net Defined Benefit liability/(asset)	440	3,077
	Expense charged to statement of profit & loss	310	565
	Income credited to OCI	(90)	(374)
	Employer contributions	(336)	(2,767)
	Benefits Paid	(13)	(61)
	Liabilities assumed/(settled) <sup>(1)</sup>	(2)	-
	<b>Closing Net Defined Benefit liability/(asset)</b>	<b>309</b>	<b>440</b>

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Sr. Particulars No.	For the year ended March 31, 2022	For the year ended March 31, 2021
₹ Mn		
<b>2 Reconciliation of Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	2,815	3,456
Current Service cost	289	371
Interest on Defined Benefit Obligation	172	227
Actuarial (Gain)/Loss arising from change in financial assumptions	(62)	21
Actuarial (Gain)/Loss arising from change in demographic assumptions	(20)	1
Actuarial (Gain)/Loss arising on account of experience changes	40	(272)
Benefits paid	(481)	(989)
Liabilities assumed/(settled) <sup>(1)</sup>	(2)	-
<b>Closing Defined Benefit Obligation</b>	<b>2,751</b>	<b>2,815</b>
<b>3 Reconciliation of plan assets</b>		
Opening fair value of plan assets	2,375	379
Employer contributions	336	2,767
Interest on plan assets	151	33
Re measurements due to		
- Actual return on plan assets less expected interest on plan assets	48	124
Benefits paid	(468)	(928)
<b>Closing fair value of plan assets</b>	<b>2,442</b>	<b>2,375</b>

<sup>(1)</sup> On account of inter group transfer.

Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows:

Sr. Particulars No.	For the year ended March 31, 2022	For the year ended March 31, 2021
₹ Mn		
<b>1 Expenses Recognised in the Statement of Profit &amp; Loss</b>		
Current Service cost	289	371
Interest on Net Defined Benefit liability/(asset)	20	194
Expenses recognised in the Statement of Profit & Loss	<b>309</b>	<b>565</b>
<b>2 Amount recorded as Other Comprehensive Income (OCI)</b>		
Re measurement during the year due to		
- Changes in financial assumptions	(62)	21
- Changes in demographic assumptions	(20)	1
- Experience adjustments	40	(272)
- Return on plan assets (excluding amounts included in net interest expense)	(48)	(124)
Remeasurement (gain)/loss recognised in OCI	<b>(90)</b>	<b>(374)</b>



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The principal assumptions used in determining gratuity obligations are shown below:

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	6.85%	6.55%
Future salary increases <sup>(1)</sup>	8.00%	8.00%
Attrition rate	30 years & below - 30% 31-40 years - 15% 41 years & above - 8%	30 years & below - 30% 31-40 years - 15% 41 years & above - 8%
Mortality rate during employment	As per Indian Assured Lives Mortality (2012-14) Table	As per Indian Assured Lives Mortality (2012-14) Table
Disability	Leaving service due to disability is included in the provision made for all causes of leaving service.	

<sup>(1)</sup>The estimates of future salary increase considered takes into account inflation, seniority, promotion and other relevant factors.

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation is as below:

Particulars	₹ Mn			
	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Discount Rate	Salary escalation Rate	Discount Rate	Salary escalation Rate
Impact of increase in 50 bps on DBO	(3.63%)	3.68%	(3.69%)	3.82%
Impact of decrease in 50 bps on DBO	3.80%	(3.55%)	3.95%	(3.61%)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Within the next 12 months	156	220

Disaggregation details of plan assets (% allocation):

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Insurer Managed Funds <sup>(1)</sup>	2,442	2,375
Bank balances	-	-

<sup>(1)</sup>The funds are managed by Insurers and they do not provide breakup of plan assets by investment type.

### Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Expected benefits for year 1	347	411
Expected benefits for year 2	270	235
Expected benefits for year 3	225	227
Expected benefits for year 4	218	201
Expected benefits for year 5 and above	2,899	2,928

The average duration of the defined benefit plan obligation at the end of the reporting year is 6.49 years - 8.42 years (March 31, 2021: 6.92 years - 8.32 years).

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### B. Defined contribution plans:

During the year, the Group has recognised the following amounts in the Statement of Profit and Loss:

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers' contribution to provident and other fund	723	793
Employers' contribution to superannuation fund	48	65

- C. The Company operates its gratuity superannuation plan through separate trust which is administered and managed by the Trustees. As on March 31, 2022 and March 31, 2021, the contribution towards the plans have been invested in Insurer Managed funds and bank balance.

### NOTE 54: INCOME TAX EXPENSES

#### (a) Major components of tax expense

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current Tax</b>		
Current Tax on profits for the year	169	25
Adjustments for tax of prior periods <sup>(1)</sup>	4	(205)
<b>Total Current Tax Expense (A)</b>	<b>173</b>	<b>(180)</b>
<b>Deferred Tax</b>		
Relating to addition & reversal of temporary differences	(60)	(23)
Relating to derecognition of tax credits	-	-
Relating to change in tax rate	-	-
<b>Total Deferred Tax Expense (B)</b>	<b>(60)</b>	<b>(23)</b>
<b>Total Tax Expense (A+B)</b>	<b>113</b>	<b>(203)</b>
<b>Income tax effect of re-measurement gains on defined benefit plans taken to other comprehensive income</b>	<b>(1)</b>	<b>(4)</b>

<sup>(1)</sup> During the financial year 2020-21, the Company has opted for Vivad Se Vishwas (VsV) Scheme to settle some of its long pending litigations pertaining to Corporate tax and TDS related matters. Accordingly, write back of excess tax provision/write off amounts of ₹ 208 Mn (net) have been considered where settlement has been agreed and Form 3 / 5 has been issued by the Department for such VsV applications.

#### b) Reconciliation of average effective tax rate and applicable tax rate

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss before income tax expense	(282,341)	(442,534)
<b>Applicable Tax Rate</b>	<b>34.94%</b>	<b>34.94%</b>
Increase / reduction in taxes on account of:		
Effect of unrecognised business loss including reversal of previously recognised DTA on business losses	(45.51%)	(43.36%)
Effect of share of profits in JV / Associates	0.00%	0.09%
Effects of expenses / income that are not deductible / considered in determining the taxable profits	10.53%	9.31%
Effect of transfer of fibre undertaking	-	0.00%
Effect of different tax rate	0.00%	0.00%
Effect of undistributed retained earnings of JV	0.00%	0.00%
Other Items	0.00%	(0.94%)
<b>Effective Tax Rate</b>	<b>(0.04%)</b>	<b>0.05%</b>

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- (c) The Group has not recognized deferred tax assets in respect of certain carried forward tax losses / capital losses / temporary differences of ₹ 1,961,569 Mn as of March 31, 2022 (March 31, 2021: ₹ 1,595,305 Mn). Of this, ₹ 1,045,623 Mn is towards unabsorbed depreciation and does not have any limitation / expiry period and the balance amount of ₹ 915,946 Mn will lapse beyond a period of 5 years. The aforesaid tax losses and unabsorbed depreciation will lapse in the subsequent years as follows:

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Within 0-5 years	-	-
From 5-10 years	915,946	802,103
Unlimited	1,045,623	793,202
<b>Total</b>	<b>1,961,569</b>	<b>1,595,305</b>

The Group has also not recognised deferred tax on MAT credit of ₹ 25,699 Mn, of which ₹ 2,631 Mn is expiring within 0-5 years, ₹ 9,730 Mn is expiring within 5-10 years and ₹ 13,338 Mn is expiring beyond 10 years. During the year ended March 31, 2021, the Group had not recognised deferred tax on MAT credit of ₹ 25,699 Mn, of which ₹ 3,496 Mn is expiring within 0-5 years, ₹ 22,203 Mn is expiring within 5-10 years.

### NOTE 55: MOVEMENT IN DEFERRED TAX

Particulars	₹ Mn								
	As at April 1, 2020	Recognised in			As at March 31, 2021	Recognised in			As at March 31, 2022
		Profit and Loss	OCI	Other Equity		Profit and Loss	OCI	Other Equity	
<b>Liabilities</b>									
Depreciation & Amortisation (including RoU Assets)	218,613	(29,576)	-	-	189,037	(28,736)	-	-	160,301
Effects of remeasuring financial instruments under Ind AS	2,858	(105)	-	-	2,753	(126)	-	-	2,627
Undistributed retained earning of JV	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	2,805	-	-	2,805
<b>Total (A)</b>	<b>221,471</b>	<b>(29,681)</b>	<b>-</b>	<b>-</b>	<b>191,790</b>	<b>(26,057)</b>	<b>-</b>	<b>-</b>	<b>165,733</b>
<b>Assets</b>									
Tax Losses	117,061	(10,427)	-	-	106,634	(37,470)	-	-	69,164
Expenses allowable on Payment Basis	4,929	(2,465)	(4)	-	2,460	6,583	(1)	-	9,042
Provisions for doubtful debts/ advances (including lease liability)	99,094	(16,648)	-	-	82,446	5,051	-	-	87,497
Others	369	(118)	-	-	251	(161)	-	-	90
<b>Total (B)</b>	<b>221,453</b>	<b>(29,658)</b>	<b>(4)</b>	<b>-</b>	<b>191,791</b>	<b>(25,997)</b>	<b>(1)</b>	<b>-</b>	<b>165,793</b>
<b>Net Deferred Tax Liabilities/ (assets) (A-B)</b>	<b>18</b>	<b>(23)</b>	<b>4</b>	<b>-</b>	<b>(1)</b>	<b>(60)</b>	<b>1</b>	<b>-</b>	<b>(60)</b>
<b>As per Financials :</b>									
<b>Deferred Tax Asset</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>60</b>
<b>Deferred Tax Liabilities</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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### NOTE 56: BASIC & DILUTED EARNINGS / (LOSS) PER SHARE

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Nominal value of per equity share	10/-	10/-
Profit/(Loss) after Tax <sup>(1)</sup>	(282,454)	(442,447)
Profit/(Loss) attributable to equity shareholders <sup>(1)</sup>	(282,454)	(442,447)
Weighted average number of equity shares outstanding during the period	28,744,658,990	28,735,389,240
Basic earnings per share	(9.83)	(15.40)
Dilutive effect on weighted average number of equity shares outstanding during the period	*	*
Weighted average number of diluted equity shares	28,744,658,990	28,735,389,240
Diluted earnings per share	(9.83)	(15.40)

<sup>(1)</sup> Adjusted for Group's share of additional depreciation debited to other equity by joint venture pursuant to scheme.

\*As the Group has incurred loss, dilutive effect on weighted average number of shares would have an anti-dilutive impact and hence, not considered.

### NOTE 57: RELATED PARTY TRANSACTIONS

The related parties where control, joint control and significant influence exists are subsidiaries, joint venture and associates respectively. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director whether executive or otherwise.

#### The Group has transactions with the below related parties:

Relationship	Related Party
Joint Venture (JV)	Indus Towers Limited (till November 18, 2020) <sup>(1)</sup>
	Firefly Networks Limited
Associate	Aditya Birla Idea Payments Bank Limited
	Grasim Industries Limited
	Hindalco Industries Limited
	Euro Pacific Securities Limited
	Prime Metals Limited
	Mobilvest
	Vodafone Telecommunications (India) Limited
	Omega Telecom Holdings Private Limited
	Telecom Investment India Private Limited ( merged with Omega Telecom Holdings Private Limited effective from July 4, 2020)
	Asian Telecommunications Investments (Mauritius) Limited
Promoter Group <sup>(2)</sup>	Al-Amin Investments Limited
	Jaykay Finholding (India) Private Limited ( merged with Omega Telecom Holdings Private Limited, effective from July 4, 2020)
	CCII (Mauritius) Inc
	Usha Martin Telematics Private Limited
	Pilani Investment And Industries Corporation Limited
	Elaine Investments PTE Limited
	Oriana Investments PTE Limited
	Birla TMT Holdings Private Limited
	IGH Holdings Private Limited
	Trans Crystal Limited

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<b>Relationship</b>	<b>Related Party</b>
	Aditya Birla PE Advisors Private Limited
	Aditya Birla Finance Limited
	Aditya Birla Capital Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Health Insurance Company Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Management Corporation Private Limited
	Aditya Birla Money Limited
	Aditya Birla Money Mart Limited (ABMML)
	Aditya Birla Wellness Private Limited
	Aditya Birla Capital Technology Services Limited
	Aditya Birla Renewables Limited
	Aditya Birla Science & Technology Company Private Limited
	Aditya Birla New Age Private Limited
	Aditya Birla Power Composites Limited
	Birla Brothers Private Limited
	Interglobe Hotels Private Limited
	Aditya Birla Sun Life AMC Limited
Entities having significant influence [includes Subsidiaries of the entity to which the Company is a JV]	Aditya Birla Sun Life Insurance Company Limited
	Cable & Wireless Networks India Private Limited
	Cable & Wireless Worldwide Limited
	Cable and Wireless (India) Limited
	Gotan Lime Stone Khanij Udyog Private Limited
	Harish Cement Limited
	Hindalco-Almex Aerospace Limited
	Indus Towers Limited (effective from November 19, 2020) <sup>(1)</sup>
	Star Super Cement Industry LLC, UAE
	Vodafone Global Network Limited
	Ultratech Cement Limited
	Vodafone Group PLC
	Vodafone Limited
	Vodafone Enterprise Global Limited
	Vodafone India Services Private Limited
	Vodafone Network Pty Limited
	Vodafone New Zealand Limited
	Vodafone International Services LLC
	Vodafone Libertel B.V.
	Vodafone Telekomunikasyon A.S
Vodafone GmbH	
Vodafone Italia S.P.A.	

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Relationship	Related Party
	Vodafone Ireland Limited
	Vodafone Espana S.A.U.
	Vodacom (Pty) Limited
	Vodafone-Panafon Hellenic Telecommunications Company S.A.
	Vodafone Romania S.A
	Vodafone Magyarország (ZRT)
	Vodacom Lesotho (Pty) Limited
	Vodafone Albania Sh.A
	Vodafone Czech Republic A.S.
	Vodafone Enterprise Europe (UK) Limited
	Vodafone US Inc.
	Vodafone UK Foundation
	Safaricom PLC
	Vodafone Portugal Comunicacoes Pessoais, S.A.
	Vodafone Malta Limited
	Vodafone Net İletişim Hizmetleri A.Ş.
	Vodacom Tanzania PLC.
	Vodacom Congo (RDC) S.A.
	Ghana Telecommunications Company Limited
	Vodafone Group Services Limited
	Vodafone Global Services Private Limited
	VM, SA (Vodafone Mozambique)
	Vodafone Enterprise Singapore Pte.Limited
	Vodafone Global Enterprise Limited
	Vodafone Roaming Services S.À R.L
	Vodafone Procurement Company S.À R.L
	Vodacom Group Limited
	A V Metals Inc.
	AAPC India Hotel Management Private Limited
	Accent Hotels Private Limited
	Bhubaneswari Coal Mining Limited
	Caddie Hotels Private Limited
	Cerebrus Consultants Private Limited
	Goa Glass Fibre Limited
	InterGlobe Enterprises Private Limited
	Interglobe Technology Quotient Private Limited
	Omega Healthcare Management Services Private Limited
	Srilanand Mansions Private Limited
	Triguna Hospitality Ventures (India) Private Limited
	Wheelsemi Private Limited
	Cable & Wireless Global (India) Private Limited

Entities having significant influence[includes Subsidiaries of the entity to which the Company is a JV]

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Relationship	Related Party
Key Management Personnel (KMP)	Mr. Kumar Mangalam Birla
	Mr. Himanshu Kapania (Chairman)
	Mr. Ravinder Takkar (Managing Director & CEO)
	Mr. Akshaya Moondra (CFO)
	Mr. Arun Thiagarajan (Independent Director)
	Ms. Neena Gupta (Independent Director)
	Mr. Arun Adhikari (Independent Director)
	Mr. Ashwani Windlass (Independent Director)
	Mr. Krishnan Ramachandran (Independent Director)
	Mr. Suresh Vaswani (Independent Director)
	Mr. Sunil Sood (Appointed on February 24, 2021)*
	Mr. Diego Massidda (Appointed on February 24, 2021)*
	Mr. Sushil Agarwal (Appointed on August 04, 2021)*
Mr. Krishna Kishore Maheshwari (Appointed on March 03, 2022)*	
Entities under common control	G.D Birla Medical Research & Education Foundation
	Svatantra Microfin Private Limited
	Birla Institute of Technology and Science Company
	Mahan Coal Limited
Trust <sup>(3)</sup>	Vodafone Idea Limited Employees Group Gratuity Fund
	Vodafone Idea Limited Employees Superannuation Scheme
	Vodafone Idea Manpower Services Limited Employees Group Gratuity Scheme
	Hutchison Max Telecom Limited Superannuation Fund

<sup>(1)</sup> Effective from November 19, 2020, Indus Towers Limited ("Indus") merged with and into Bharti Infratel Limited ("BIL"). The merged entity is thereafter named as Indus Towers Limited "Indus". Pursuant to this merger, the relationship of the Company with Indus has changed from Joint Venture (till November 18, 2020) to Entities having significant influence (from November 19, 2020).

<sup>(2)</sup> As per Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulation, 2015.

<sup>(3)</sup> Transaction with trust includes contribution to provident fund, pension, gratuity and superannuation funds and refer note 53 for information on transaction with post-employment benefit plans mentioned above.

\* No transactions during the year

### A. Transactions with Related Parties for the year ended March 31, 2022 and March 31, 2021

Particulars	₹ Mn					
	Associate	Entities having significant influence	Joint Ventures	KMP	Promoter	Entities under common control
Sale of service	-	1,779	-*	-	55	3
	(4)	(3,186)	(5)	-	(83)	(2)
Purchase of service	-	96,930 <sup>^</sup>	68	-	-	-
	-	(35,794) <sup>^</sup> , #	(51,508) <sup>^</sup>	-	-	-
Remuneration <sup>(1)</sup>	-	-	-	54	-	-
	-	-	-	(67)	-	-
Director's sitting fees paid	-	-	-	12	-	-
	-	-	-	(8)	-	-
Expense incurred on behalf of	-	36	21	-	-	-
	-	(52)	-	-	-	-

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₹ Mn

Particulars	Associate	Entities having significant influence	Joint Ventures	KMP	Promoter	Entities under common control
Expense incurred on company's behalf by	-	-	-	-	-	-
	-	(53)	-	-	-	-
Receipt of money towards Settlement Asset	-	-	-	-	(19,748)	-
	-	-	-	-	45,000	-
Proceeds from allotment of Equity Shares	-	-	-	-	-	-
Insurance premium (including advance given)	-	18	-	-	-	-
	-	(67)	-	-	-	-
Repayment of loan by	-	-	8	-	-	-
	-	-	-	-	-	-
Dividend received	-	-	(1,115)	-	-	-
	-	150	-	-	-	-
Donations received	-	(72)	(145)	-	-	-
	-	-	-*	-	-	-
Interest Income on loan given	-	-	(1)	-	-	-
	-	-	-	-	-	-

(Figures in bracket are for the year ended March 31, 2021)

### B. Balances with Related Parties as at March 31, 2022 and March 31, 2021

₹ Mn

Particulars	Associate	Entities having significant influence	Joint Ventures	KMP	Promoter	Entities under common control
Trade and Other Receivables	-	999	-*	-	8	1
	(7)	(2,206)	-	-	(15)	(1)
Trade and Other Payables	-	95,895	-	-	-	-
	-	(59,398)	-	-	-	-
Lease Liability (included in Other non-current financial liabilities and Other current financial liabilities)	-	104,729	-	-	-	-
	-	(104,514)	-	-	-	-
Deposits Given (included in Other Non-Financial Assets)	-	1,594	-	-	-	-
	-	(1,590)	-	-	-	-
Other Current Assets (included in Other Current Financial Assets)	-	-	-	-	-	-
	-	(73)	-	-	-	-
Remuneration payable	-	-	-	17	-	-
	-	-	-	(15)	-	-
Prepaid Expenses	-	342	-	-	-	-
	-	(384)	-	-	-	-
Other receivable	-	-	-	-	-	-
	-	(348)	-	-	-	-
Outstanding loan receivable	-	-	-	-	-	-
	-	-	(8)	-	-	-

(Figures in bracket are as at March 31, 2021)



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<sup>(1)</sup> Remuneration includes amounts towards LTIP and ESOP basis actual payment/exercise. There is no remuneration paid to Mr. Ravinder Takkar from VIL and neither any amount is charged back to the Company by any other entity towards his remuneration during the current year and previous year.

\* Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

^ Includes amounts accrued on account of onerous contract (Site Exits) involving invoicing and settlements over a 3 years period.

# The Company is one of the members of ABMCPL, a Company limited by guarantee, which has been formed to provide common pool of facilities and resources to its members with a view to optimise the benefits of specialisation and minimize cost to each member. The Company's share of expenses incurred under the common pool has been accounted for at actuals in the respective heads in the Consolidated Statement of Profit and Loss. Further, the Company had entered into a recharge agreement with ABMCPL pursuant to amalgamation of VMSL and VInL with the Company effective August 31, 2018 for availing such services. Effective October 1, 2020, the Company has terminated the arrangement with ABMCPL. Purchase of Services includes the charge towards such Business Support Services for ABMCPL amounting to ₹ Nil (March 31, 2021: ₹ 656 Mn).

Further, the Company had also entered into a recharge agreement with VGSL for Business Support services (grouped under Other expenses) effective August 31, 2018. Effective October 1, 2020, the Company has revised the arrangement with VGSL. Purchase of Services includes the charge towards such Business Support Services for VGSL amounting to ₹ 397 Mn (March 31, 2021: ₹ 3,528 Mn).

#### Note:

(i) Above excludes any cash inflow/outflow that could possibly arise from the settlement of certain outstanding disputes pertaining to the period until May 31, 2018 pursuant to the implementation agreement entered between the Company and VInL shareholders. The Company has recognised a settlement asset net of settlement liabilities of ₹ 63,939 Mn as at March 31, 2022 (March 31, 2021: ₹ 63,939 Mn) towards the same.

(ii) With respect to options that have already exercised there is an outstanding liability of ₹ 1,163 Mn payable to entities having significant influence (March 31, 2021: ₹ 1,150 Mn).

(iii) During the year, the Company has Contributed to Gratuity Fund amounting to ₹ 319 Mn (March 31, 2021: ₹ 2,767 Mn).

### C. The significant related party transactions are summarised below:

₹ Mn

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Sale of service</b>		
Vodafone Enterprise Global Limited	1,515	1,407
<b>Purchase of service</b>		
Indus Towers Limited	95,562	81,967
<b>Expense incurred on behalf of</b>		
Vodafone Group Services Limited	15	18
Ghana Telecommunications Company Limited	13	18
Vodafone Telekomunikasyon A.S.	-	6
FireFly Networks Limited	21	-
<b>Expense incurred on company's behalf by</b>		
Vodafone Group Services Limited	-	46
<b>Proceeds from allotment of Equity Shares</b>		
Euro Pacific Securities Limited	26,156	-
Prime Metals Limited	7,594	-
Oriana Investments PTE Limited	11,250	-
<b>Insurance premium (including advance given)</b>		
Aditya Birla Sun Life Insurance Company Limited	14	62
<b>Receipt of money towards Settlement Asset</b>		
Euro Pacific Securities Ltd	-	19,748
<b>Dividend received</b>		
Indus Towers Limited	-	1,115
<b>Repayment of loan by</b>		
Firefly Networks Limited	8	-
<b>Interest income</b>		
FireFly Networks Limited	-*	1
<b>Donations Received</b>		
Vodafone India Services Private Limited	20	63
Indus Towers Limited	113	145

\*Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

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### D. Commitments with Related Parties : ₹ Nil (March 31, 2021 : ₹ Nil )

### E. Compensation of Key Management Personnel of the Company

₹ Mn

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Short-term employee benefits	53	66
Post-employment benefits <sup>(1)</sup>	1	1

<sup>(1)</sup>Represents contribution to provident and superannuation funds. As Gratuity expense and Compensated absences expense is based on actuarial valuations, the same cannot be computed for individual employees and hence not included.

### NOTE 58: FINANCIAL INSTRUMENTS

a) **Financial Instruments by Category:** The following table provides categorisation of all financial instruments at carrying value except non-current investments in joint ventures and associate which are carried at cost.

₹ Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial Assets</b>				
Trade Receivables	-	24,439	-	25,070
Loans to joint venture and others	-	-	-	10
Cash and cash equivalents	-	14,532	-	3,503
Bank balance other than cash and cash equivalents	-	731	-	793
Margin Money Deposits <sup>(1)</sup>	-	20,568	-	22,532
Settlement assets <sup>(1)</sup> (refer note 43(iv))	-	81,204	-	63,939
Deposit with Body Corporates, Government Authorities and Others <sup>(1)</sup>	-	6,444	-	9,895
Interest receivable <sup>(1)</sup>	-	446	-	343
Others <sup>(1)</sup>	-	289	-	599
<b>Total Financial Assets</b>	-	<b>148,653</b>	-	<b>126,684</b>

Particulars	As at March 31, 2022		As at March 31, 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial Liabilities</b>				
Fixed Rate loans from banks and others including Interest accrued but not due	-	27,254	-	88,794
Floating Rate loans from banks and others including Interest accrued but not due	-	153,407	-	144,969
Deferred Payment Obligations including interest accrued but not due	-	1,798,121	-	1,633,292
Trade Payables	-	132,551	-	134,025
Payables for Capital Expenditure <sup>(2)</sup>	-	67,793	-	84,224
Accrual towards One Time Spectrum Charges (OTSC) (refer note 43(vi)) <sup>(2)</sup>	-	49,572	-	43,898
Settlement liabilities (refer note 43(iv)) <sup>(2)</sup>	-	17,265	-	-
Derivative Financial Liabilities <sup>(2)</sup>	102	-	440	-
Security Deposits from Customers and Others <sup>(2)</sup>	-	3,058	-	3,499
Lease liabilities	-	228,434	-	214,099
Others <sup>(2)</sup>	2	670	3	575
<b>Total Financial Liabilities</b>	<b>104</b>	<b>2,478,125</b>	<b>443</b>	<b>2,347,375</b>

<sup>(1)</sup> included in other current / non-current financial assets

<sup>(2)</sup> included in other current / non-current financial liabilities

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₹ Mn

### b) Fair Value Hierarchy

The Group has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

#### i. Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2022

₹ Mn

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Current Investments	-	-	-	-
<b>Total Financial Assets</b>	-	-	-	-
<b>Financial Liabilities</b>				
Derivative Financial Liabilities	-	102	-	102
Others	-	2	-	2
<b>Total Financial Liabilities</b>	-	<b>104</b>	-	<b>104</b>

#### ii. Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2021

₹ Mn

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Current Investments	-	-	-	-
<b>Total Financial Assets</b>	-	-	-	-
<b>Financial Liabilities</b>				
Derivative Financial Liabilities	-	440	-	440
Others	-	3	-	3
<b>Total Financial Liabilities</b>	-	<b>443</b>	-	<b>443</b>

iii. The carrying amounts of the following financial assets and financial liabilities are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

#### a) Financial Assets

- Trade Receivables
- Loans to Joint ventures and others
- Cash and Cash equivalents
- Bank balance other than cash and cash equivalents
- Margin Money Deposits
- Deposit with Body Corporates, Government Authorities and Others
- Interest Receivable
- Settlement assets
- Others

#### b) Financial Liabilities

- Floating Rate loans from banks and others including Interest accrued but not due
- Trade Payables
- Payable for capital expenditure
- Accrual towards One Time Spectrum Charges
- Security Deposits from Customers and Others
- Lease Liabilities
- Settlement Liabilities
- Others

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### iv. Fair value hierarchy of financial liabilities measured at amortised cost is below:

Particulars	Carrying Amount	Level 1	Level 2	Level 3	₹ Mn
					Total
Fixed rate loans from banks and others including interest accrued but not due					
As at March 31, 2022	27,254	-	20,948	-	20,948
As at March 31, 2021	88,794	-	73,253	-	73,253
Deferred Payment Obligations including interest accrued but not due					
As at March 31, 2022	1,798,121	-	1,940,757	-	1,940,757
As at March 31, 2021	1,633,292	-	1,739,923	-	1,739,923

### Valuation Technique used to determine fair value:

Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable and willing parties, other than in a forced or liquidation sale. The valuation techniques used to determine the fair values of financial assets and financial liabilities classified as level 2 include use of quoted market prices or dealer quotes for similar instruments and generally accepted pricing models based on a discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

The Group enters into derivative financial instruments such as forward, interest rate swap and cross currency swaps with various counterparties. The fair value of such derivatives instruments are determined using forward exchange rates, currency basis spreads between respective currencies and interest rate curves.

### NOTE 59: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings, derivative liabilities, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets comprise investments, cash and bank balance, trade and other receivables. The Group also enters into derivative transactions such as foreign forward exchange contracts, Interest rate and currency swaps as a part of Group's financial risk management policies. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The Group is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Group's senior management comprising of a team of qualified finance professionals with appropriate skills and experience oversees management of these risks and provides assurance to the management that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activity for risk management purposes are carried by specialist team having appropriate skills and experience. The risks and measures to mitigate such risks is reviewed by the committee of Board of Directors periodically.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include borrowings, bank deposits, investments and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

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The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At March 31, 2022, after taking into account the effect of interest rate swaps, approximately 92.01% of the Group's borrowings are at a fixed rate of interest (March 31, 2021: 91.99%).

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
₹ Mn		
<b>March 31, 2022</b>		
INR - Borrowings	+100	(1,437)
	-100	1,437
USD - Borrowings	+100	(88)
	-100	88
<b>March 31, 2021</b>		
INR - Borrowings	+100	(1,271)
	-100	1,271
USD - Borrowings	+100	(173)
	-100	173

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

#### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency), payables for capital expenditure denominated in foreign currency and foreign currency borrowing.

The Group's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Group's policies.

When a derivative is entered into for the purpose of hedging any foreign currency exposure, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. The Group has major foreign currency risk in USD, EURO and GBP.

The Group hedged 5.47% (March 31, 2021: 6.93%) of its foreign currency trade payables and other financial liability in USD and 95.92% (March 31, 2021: 36.66%), of its foreign currency loans in USD. This foreign currency risk is hedged by using foreign currency forward contracts and cross currency rate swaps (refer note 48). However the Group has not hedged the foreign currency trade payables in EURO and GBP.

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency rates, with all other variables held constant. The impact on the Group's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies other than USD, EURO and GBP is not material.

Currency exposure	Change in currency exchange rate	Effect on profit before tax
<b>March 31, 2022</b>		
USD	+5%	(1,664)
	-5%	1,664
EURO	+5%	(729)
	-5%	729
GBP	+5%	(59)
	-5%	59

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Currency exposure	Change in currency exchange rate	Effect on profit before tax
<b>March 31, 2021</b>		
USD	+5%	(2,922)
	-5%	2,922
EURO	+5%	(660)
	-5%	660
GBP	+5%	(58)
	-5%	58

The derivatives have not been designated in a hedge relationship, they act as a hedge and will offset the underlying transactions when they occur.

## c) Price risk

The Group invests its surplus funds in various debt instruments and debt mutual funds. These comprise of mainly liquid schemes of mutual funds (liquid investments) and fixed deposits.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

## d) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

### - Trade receivables

Customer credit risk is managed in accordance with the Group's established policy, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 15 to 30 days' credit terms. Outstanding customer receivables are regularly monitored.

The Group follows a 'simplified approach' (i.e. based on lifetime Expected credit losses (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). A large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. For the purpose of measuring lifetime ECL allowance for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. The Group, based on past trends, recognizes allowance for trade receivables: a) for retail subscribers (net of security deposit) remaining unpaid beyond 90/120 days from date of billing and b) for other trade receivables on account of Interconnect, Roaming, Fixed line Voice, Fibre infrastructure and data services etc. remaining unpaid beyond 180/365 days. Further, allowance is also recognised for cases indicating any specific trail of credit loss within the ageing brackets mentioned above. Individual trade receivables are written off when management deems them not to be collectible. Any subsequent recovery is recognized as Income in the Consolidated Statement of Profit and Loss. Refer Note 14 for the carrying amount of credit exposure as on the Consolidated Balance Sheet date.

### - Other financial assets and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counter party. Counterparty credit limits are reviewed by the Group's Treasury Department periodically, and may be updated throughout the year. The limits are intended to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet as at March 31, 2022 and March 31, 2021 on its carrying amounts as disclosed in notes 11, 16, 17 and 18 except for derivative financial instruments. The Group's maximum exposure relating to financial derivative instrument is noted in note 59 (e) and liquidity table below.

## e) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group monitors its risk of a shortage of funds using a liquidity planning tool.

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The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. As at March 31, 2022, approximately 4.27% of the Company's debt excluding interest will mature in less than one year, without considering reclassification into current maturity of debt due to covenant breach (March 31, 2021: 7.96%) based on the carrying value of borrowings reflected in the financial statements.

As the Group has already availed the moratorium with respect to AGR and Deferred Spectrum Obligation as referred in Note 3 and raised the fund from the promoter / promoter group companies for ₹ 45,000 Mn as referred in Note 43(i) and based on the past performance and future expectation, the Group believes that the existing cash balance along with cash generated from operations, working capital management, raising additional funds as required, successful negotiations with lenders for continued support will satisfy its cash flow requirement associated with repayment of borrowings and other liabilities from its operation (refer note 3, 23(D) and 23(E)).

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	₹ Mn				
	Carrying Value	Less than 1 year	1 to 5 years	> 5 years	Total payments
<b>As at March 31, 2022</b>					
Loans from bank and others and Interest thereon <sup>(1)</sup>	180,661	163,711*	31,654	-	195,365
Deferred Payment Obligations and Interest thereon <sup>(2) &amp; (5)</sup>	1,798,121	18	689,302	2,315,090	3,004,410
Trade and other payables <sup>(3)</sup>	249,916	248,288	2,382	-	250,670
Lease liabilities	228,434	123,608	116,809	22,007	262,424
Settlement liabilities (refer note 43(iv))	17,265	17,265	-	-	17,265
Other financial liabilities <sup>(1), (2), (3) &amp; ^^</sup>	3,730	3,685	45	-	3,730
	<b>2,478,127</b>	<b>556,575</b>	<b>840,192</b>	<b>2,337,097</b>	<b>3,733,864</b>
Derivatives liabilities <sup>(4)</sup>	102	102	-	-	102
<b>Total</b>	<b>2,478,229</b>	<b>556,677</b>	<b>840,192</b>	<b>2,337,097</b>	<b>3,733,966</b>
<b>As at March 31, 2021</b>					
Loans from bank and others and Interest thereon <sup>(1)</sup>	233,763	186,926*	75,095	5,208	267,229
Deferred Payment Obligations and Interest thereon <sup>(2)</sup>	1,633,292	155,311^	952,552	1,583,180	2,691,043
Trade and other payables <sup>(3)</sup>	262,147	249,078	15,028	-	264,106
Lease liabilities	214,099	116,280	118,734	17,476	252,490
Other financial liabilities <sup>(1),(2),(3) &amp; ^^</sup>	4,077	4,032	45	-	4,077
	<b>2,347,378</b>	<b>711,627</b>	<b>1,161,454</b>	<b>1,605,864</b>	<b>3,478,945</b>
Derivatives assets <sup>(4)</sup>	440	434	6	-	440
<b>Total</b>	<b>2,347,818</b>	<b>712,061</b>	<b>1,161,460</b>	<b>1,605,864</b>	<b>3,479,385</b>

<sup>(1)</sup> Interest accrued but not due of ₹ 2,636 Mn (March 31, 2021: ₹ 3,050 Mn) has been excluded from other financial liabilities and included in loans from banks and others and interest thereon.

<sup>(2)</sup> Interest accrued but not due of ₹ 66,970 Mn (March 31, 2021: ₹ 60,902 Mn) has been excluded from other financial liabilities and included in deferred payment obligations and interest thereon.

<sup>(3)</sup> Payable for capital expenditure of ₹ 67,793 Mn (March 31, 2021: ₹ 84,224 Mn) and Accrual towards One Time Spectrum Charges (OTSC) of ₹ 49,572 Mn (March 31, 2021: ₹ 43,898 Mn) has been excluded from other financial liabilities and included in trade and other payables.

<sup>(4)</sup> Included as part of maturity profile as the underlying of these derivatives are borrowings and other financial liabilities included above.

<sup>(5)</sup> Excluding impact of conversion of the full amount of interest on the deferred instalments related to spectrum auction amounts and AGR dues into shares in the company (refer note 3)

\*The Company has classified an amount of ₹ 68,131 Mn (March 31, 2021: ₹ 85,472 Mn) from non-current borrowings to current maturities of long term debt although the Company is confident that there will be no acceleration of payment in this regard (refer note 23(D)).

^Includes deferred payment liability towards spectrum (including interest thereon) of ₹ 64,392 Mn which is considered as payable within one year basis current correspondence with DoT and additional Bank Guarantees of ₹ 9,757 Mn is to be provided to avail the additional moratorium of 1 year. (refer note 23(E)).

^^ Includes payable for capital expenditure of ₹ 35,770 Mn (March 31, 2021 : ₹ 9,310 Mn) due for payment.

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### NOTE 60: CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the value of shareholders.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using the net debt-equity ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, unencumbered fixed deposits with banks having maturity of 3 to 12 months and investment in liquid mutual funds.

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Loans from banks and others	28,363	64,846
Deferred payment obligations	1,731,145	1,509,309
Short Term Borrowings	149,669	228,948
Less: Cash and cash equivalents	(14,532)	(3,503)
Less: Fixed deposits with banks having maturity of 3 to 12 months	(57)	(27)
<b>Net debt (A)</b>	<b>1,894,588</b>	<b>1,799,573</b>
Equity share capital	321,188	287,354
Other Equity	(940,836)	(669,634)
<b>Total Equity (B)</b>	<b>(619,648)</b>	<b>(382,280)</b>
<b>Net Debt-equity ratio (A)/(B)</b>	<b>(3.06)</b>	<b>(4.71)</b>

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and year ended March 31, 2021.

### NOTE 61: ADDITIONAL DISCLOSURE AS PER REQUIREMENT OF SCHEDULE III

#### A. Net Assets of the Company, its subsidiaries, joint ventures and associate as at March 31, 2022 and March 31, 2021

Name of the entity in the Group	₹ Mn							
	Net assets (total assets minus total liabilities)		Share in profit / (loss)		Share in Other Comprehensive Income / (Loss)		Share in total comprehensive Income / (Loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit / loss	Amount	As % of consolidated Other Comprehensive Income / (Loss)	Amount	As % of consolidated Total Comprehensive Income / (Loss)	Amount
<b>Vodafone Idea Limited</b>								
31-Mar-22	99.15%	(614,362)	99.97%	(282,372)	100.00%	89	99.97%	(282,283)
31-Mar-21	98.64%	(377,076)	104.66%	(462,937)	(1128.26%)	(4,152)	105.69%	(467,089)
<b>Subsidiaries</b>								
<b>Vodafone Idea Manpower Services Limited</b>								
31-Mar-22	0.00%	15	0.00%	2	2.25%	2	0.00%	4
31-Mar-21	0.00%	13	0.00%	3	1.36%	5	0.00%	8
<b>Vodafone Idea Telecom Infrastructure Limited</b>								
31-Mar-22	0.95%	(5,892)	0.50%	(1,400)	(4.49%)	(4)	0.50%	(1,404)
31-Mar-21	1.17%	(4,488)	0.54%	(2,377)	0.00%	-	0.54%	(2,377)
<b>Vodafone Idea Business Services Limited</b>								
31-Mar-22	0.19%	(1,185)	(0.46%)	1,303	0.00%	-	(0.46)%	1,303
31-Mar-21	0.65%	(2,488)	(0.03)%	144	0.00%	-	(0.03)%	144
<b>Vodafone Idea Communication Systems Limited</b>								
31-Mar-22	(0.35)%	2,175	(0.09)%	241	0.00%	-	(0.09)%	241
31-Mar-21	(0.51)%	1,934	(0.04)%	197	0.00%	-	(0.04)%	197



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₹ Mn

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit / (loss)		Share in Other Comprehensive Income / (Loss)		Share in total comprehensive Income / (Loss)		Amount
	As % of consolidated net assets	Amount	As % of consolidated profit / loss	Amount	As % of consolidated Other Comprehensive Income / (Loss)	Amount	As % of consolidated Total Comprehensive Income / (Loss)	Amount	
<b>Vodafone Foundation</b>									
31-Mar-22	0.00 %	1	0.00%	3	0.00%	-	0.00 %	3	
31-Mar-21	0.00 %	(2)	0.00 %	2	0.00 %	-	0.00 %	2	
<b>Connect (India) Mobile Technologies Private Limited</b>									
31-Mar-22	(0.04)%	243	0.00%	3	0.00%	-	0.00 %	3	
31-Mar-21	(0.06)%	240	0.00 %	-*	0.00 %	-	0.00 %	(0)	
<b>Vodafone m-pesa Limited</b>									
31-Mar-22	0.14 %	(888)	0.00%	11	0.00%	-	0.00 %	11	
31-Mar-21	0.24 %	(899)	(0.01)%	25	0.00 %	-	(0.01)%	25	
<b>Vodafone Idea Technology Solutions Limited</b>									
31-Mar-22	0.02 %	(112)	0.00%	(14)	0.00%	-	0.00 %	(14)	
31-Mar-21	0.03 %	(98)	0.00 %	(4)	0.00 %	-	0.00 %	(4)	
<b>Vodafone Idea Shared Services Limited</b>									
31-Mar-22	(0.03)%	192	(0.02%)	63	1.12%	1	(0.02)%	64	
31-Mar-21	(0.03)%	127	(0.01)%	63	1.90 %	7	(0.02)%	70	
<b>You Broadband India Limited</b>									
31-Mar-22	0.04 %	(272)	0.10%	(294)	1.12%	1	0.10 %	(293)	
31-Mar-21	(0.01)%	21	0.00 %	(8)	(0.27)%	(1)	0.00 %	(9)	
<b>Associate</b>									
<b>Aditya Birla Idea Payments Bank Limited</b>									
31-Mar-22	0.00 %	-	0.00%	-	0.00%	-	0.00 %	-	
31-Mar-21	0.00 %	-	0.00%	-	0.00%	-	0.00 %	-	
<b>Joint ventures</b>									
<b>Indus Towers Limited <sup>(1)</sup></b>									
31-Mar-22	-	-	-	-	-	-	-	-	
31-Mar-21	-	-	(0.52%)	2,300	(0.54%)	(2)	(0.52)%	2,298	
<b>Firefly Networks Limited</b>									
31-Mar-22	0.00 %	-	0.00%	12	0.00%	-	0.00 %	12	
31-Mar-21	0.00 %	-	0.00 %	14	0.00 %	-	0.00 %	14	
<b>Consolidation Adjustments</b>									
31-Mar-22	(0.07)%	437	0.00%	(12)	0.00%	-	0.00 %	(12)	
31-Mar-21	(0.11)%	436	(4.58%)	20,247	1225.82%	4,511	(5.60)%	24,758	
<b>Total</b>									
<b>31-Mar-22</b>	<b>100.00 %</b>	<b>(619,648)</b>	<b>100.00 %</b>	<b>(282,454)</b>	<b>100.00 %</b>	<b>89</b>	<b>100.00 %</b>	<b>(282,365)</b>	
<b>31-Mar-21</b>	<b>100.00 %</b>	<b>(382,280)</b>	<b>100.00 %</b>	<b>(442,331)</b>	<b>100.00 %</b>	<b>368</b>	<b>100.00 %</b>	<b>(441,963)</b>	

<sup>(1)</sup> During the previous year, Company has sold its stake in Indus. (refer note 43(iii))

\*Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

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### B) Relationship with struck off companies

₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
Maxwell Solutions Private Limited	Payables	-	1	1	1	Vendor
Kavi Constructions Private Limited	Payables	-*	-*	-	-*	Vendor
E2E Solutions Pvt. Ltd.	Payables	-*	-*	-*	-*	Vendor
Miheer Engineering Services Pvt Ltd	Payables	-	-	1	1	Vendor
E Charge Tech Pvt Ltd	Payables	-	-	1	1	Vendor
Sayali Interiors Pvt Ltd	Payables	-	-	-*	-*	Vendor
Strop Softech Private Limited	Receivables	-	-	-*	-*	Customer
Nexus Connexions Private Limited	Payables	-	-	-*	-*	Vendor
Power Charge Services Pvt Ltd	Payables	-	-	-*	-*	Vendor
Servico Bpo Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Shachi Technologies Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Vistaas Digital Media Pvt Ltd	Payables	-	-	-*	-*	Vendor
Shrinathji Netsol (India)	Receivables	-	-	-*	-*	Customer
Skan Bpo Private Limited	Payables	-	-	-*	-*	Vendor
Starvice Technologies Pvt Ltd	Receivables	-	-	-*	-*	Customer
Shribalajee I.T. Developers Pvt Ltd	Receivables	-	-	-	-*	Customer
Gbc Infotech Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Vriti Infocom Pvt Ltd	Payables	-	-	-*	-*	Vendor
Umiya Infotech Pvt. Ltd.	Receivables	-	-	-	-*	Customer
Bajoria Sales Pvt Ltd	Payables	-	-	-*	-*	Vendor
Wdc Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Eknovate Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Agape Communications Pvt Ltd	Receivables	-	-	-*	-*	Customer
Ezee Eon Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Msl Proximiti Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Tech Brahma Services Pvt Ltd	Payables	-	-	-*	-*	Vendor
True Eon Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Wizard Infocom Pvt. Ltd.	Receivables	-	-	-*	-*	Customer
Cocktail Mobile Technologies P Ltd	Payables	-	-	-	-*	Vendor
R H Bpo Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Vajja Technologies Pvt Ltd	Payables	-	-	-	-*	Vendor
Orayan Bpo Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Cb Data Solution Pvt Ltd	Payables	-	-	-*	-*	Vendor
Vites Infotech India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Knowledge Works India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Keyserv Outsourcing Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Matha Corporate Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Infra-Red Coastal Ventures Pvt. Ltd	Receivables	-	-	-*	-*	Customer
Copsdiwa Tech Pvt Ltd	Payables	-	-	-*	-*	Vendor
Equator Solutions India Pvt Ltd	Receivables	-	-	-*	-*	Customer
Sln Tele Services Pvt Ltd	Receivables	-	-	-*	-*	Customer
Fybrait Technologies Pvt Ltd	Payables	-	-	-*	-*	Vendor
Septum Networks India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Shivaneer Infra Tech Pvt. Ltd	Payables	-	-	-*	-*	Vendor
Wondertree Hr Consulting Pvt Ltd	Payables	-	-	-*	-*	Vendor
Faiz Recycling Private Limited	Payables	-	-	-*	-*	Vendor

**NOTES**

forming part of the Consolidated Financial Statements

₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
Swasthik Sahits Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Safal Agri Biotech Pvt Ltd	Payables	-	-	-*	-*	Vendor
Eloqunc Consulting Pvt Ltd	Payables	-	-	-*	-*	Vendor
Ragathirumala Enterprises Pvt Ltd	Payables	-	-	-*	-*	Vendor
Bnr Communications Private Limited	Receivables	-	-	-*	-*	Customer
Metaprism It Solutions Pvt Ltd	Payables	-	-	-	-*	Vendor
Subten Technologies Pvt Ltd	Payables	-	-	-*	-*	Vendor
Imind Cellworks Pvt Ltd	Payables	-	-	-*	-*	Vendor
Chemiron Impex Private Limited	Payables	-	-	-*	-*	Vendor
Ciro It Solutions Pvt Ltd	Payables	-	-	-*	-*	Vendor
Bestshop99 Trading Private Limited	Payables	-	-	-*	-*	Vendor
Ayuno Soluzione Pvt Ltd	Payables	-	-	-*	-*	Vendor
Estoem Infovision India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Eupraxia Technology Pvt. Ltd.	Receivables	-	-	-*	-*	Customer
Alliance Itech Pvt. Ltd.	Receivables	-	-	-	-*	Customer
Fgc Investment Solutions Pvt Ltd	Payables	-	-	-	-*	Vendor
Ramp Info Solutions Pvt Ltd	Payables	-	-	-	-*	Vendor
Seth Edu Private Limited	Payables	-	-	-	-*	Vendor
Swaraj Business Solution Pvt Ltd	Payables	-	-	-	-*	Vendor
Taniya Online Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Raju Call Info Pvt Ltd	Payables	-	-	-*	-*	Vendor
Ensemble Furniture Limited	Payables	-	-	-*	-*	Vendor
Nosyworld Solutions Private Limited	Payables	-	-	-*	-*	Vendor
Ares Management Services Pvt Ltd	Receivables	-	-	-*	-*	Customer
Gatik Fincomm Services Pvt. Ltd.	Payables	-	-	-	-*	Vendor
Taj Technotech Ltd	Receivables	-	-	-*	-*	Customer
Spark Fincorp India Limited	Payables	-	-	-*	-*	Vendor
One M Infomedia Private Limited	Payables	-	-	-*	-*	Vendor
Abs Homes Developers India Pvt Ltd	Receivables	-	-	-*	-*	Customer
Planet M Retail Ltd	Payables	-	-	-*	-*	Vendor
5A Information Technologies Pvt Ltd	Receivables	-	-	-*	-*	Customer
Leonine Business Franchise Pvt Ltd	Payables	-	-	-*	-*	Vendor
Tls It Solutions India Pvt Ltd	Receivables	-	-	-*	-*	Customer
Gayatri Cellular Pvt.Ltd	Receivables	-	-	-	-*	Customer
Landmark Motors	Receivables	-	-	-*	-*	Customer
Sanskriti Tele Services Pvt Ltd	Payables	-	-	-	-*	Vendor
Windz Express (P) Ltd	Payables	-	-	-*	-*	Vendor
Aargam Computers Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Activ4Pets India Private Limited	Payables	-	-	-*	-*	Vendor
Tqs Infotech Private Limited	Receivables	-	-	-*	-*	Customer
Big Millionaire Multitrade Pvt Ltd	Payables	-	-	-*	-*	Vendor
Itmarg Solutions Private Limited	Payables	-	-	-*	-*	Vendor
Yellow Tech Solutions Pvt. Ltd	Receivables	-	-	-*	-*	Customer
Firstpriority Logistics Pvt Ltd	Payables	-	-	-*	-*	Vendor
Care Esolutions Private Limited	Receivables	-	-	-*	-*	Customer
Arpanam Innovative Solutions	Receivables	-	-	-*	-*	Customer
Proto Financial Services Pvt Ltd	Payables	-	-	-*	-*	Vendor

## NOTES

### forming part of the Consolidated Financial Statements

₹ Mn

Name of the Struck Off Company	Nature of transaction with Struck Off Company	Trasaction during year ended March 31, 2022	Trasaction during year ended March 31, 2021	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
Wpi Tele Info Pvt Ltd	Payables	-	-	-*	-*	Vendor
H K Mobiles Pvt Ltd	Payables	-	-	-*	-*	Vendor
Bernhard Consultancy Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Capative Karan Project Pvt Ltd	Receivables	-	-	-*	-*	Customer
Patroun Corporate Agency Pvt Ltd	Receivables	-	-	-*	-*	Customer
Mm Communication Pvt Ltd	Payables	-	-	-*	-*	Vendor
Rawelcom Services India Pvt Ltd	Payables	-	-	-*	-*	Vendor
Core Hr Services Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Kp Tradeline Private Limited	Receivables	-	-	-*	-*	Customer
Tethys Telecom Private Limited	Payables	-	-	-*	-*	Vendor
Peniel Consultants Private Limited	Receivables	-	-	-*	-*	Customer
Sitechs Bpo Private Limited	Receivables	-	-	-*	-*	Customer
Oceanin Info Solutions Pvt Ltd	Receivables	-	-	-*	-*	Customer
Widia Communications Pvt Ltd	Payables	-	-	-*	-*	Vendor
True Value Inn Pvt Ltd	Payables	-	-	-*	-*	Vendor
Aintu Services Private Limited	Receivables	-	-	-*	-*	Customer
Home Aspira Online Pvt Ltd	Receivables	-	-	-*	-*	Customer
Guru Caf Management Pvt. Ltd.	Payables	-	-	-*	-*	Vendor
Auto Track Systems India Limited	Payables	-	-	-*	-*	Vendor
Imbue Infotech Pvt Ltd	Payables	-	-	-*	-*	Vendor
Evis Infoware India Pvt Ltd	Payables	-	-	-*	-*	Vendor
V2V Enterprises Private Limited	Receivables	-	-	-*	-*	Customer
Agastya Logistics Pvt Ltd	Receivables	-	-	-*	-*	Customer
Ornatus Solutions Pvt Ltd	Receivables	-	-	-*	-*	Customer
Datasys E Services Pvt Ltd	Receivables	-	-	1	1	Customer
Crossbow Infotech Pvt Ltd	Receivables	-	-	1	1	Vendor
Getit Infoservices Private Limited	Receivables	-	-	5	5	Customer

\*Numbers are below one million under the rounding off convention adopted by the Group and accordingly not reported.

### NOTE 62: INTEREST IN OTHER ENTITIES

The joint ventures / associate of the Group as at March 31, 2022 and March 31, 2021 are listed below and have share capital consisting solely of equity shares which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership interest as at March 31		Relationship	Accounting method	Quoted fair value as at March 31		Carrying amount as at March 31	
		2022	2021			2022	2021	2022	2021
Indus <sup>(2)</sup>	India	-	-	Joint Venture	Equity Method	*	*	-	-
ABIPBL <sup>(1)</sup>	India	49.00%	49.00%	Associate	Equity Method	*	*	-	-
FNL	India	50.00%	50.00%	Joint Venture	Equity Method	*	*	53	41

\* Unlisted entity- no quoted price available

<sup>(1)</sup> ABIPBL is currently under liquidation and hence company has made a provision for the entire amount of investment in the Company.

<sup>(2)</sup> The Company has sold its entire stake in Indus during the previous year. (refer note 43(iii))

**NOTES**

forming part of the Consolidated Financial Statements

**The aggregate information of immaterial joint venture is as follows :**

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Carrying amount of investments	53	41

**Group's share in immaterial joint venture is as follows :**

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit/ (loss)	12	14
Total comprehensive income/(loss)	12	14

**The aggregate information of immaterial associate is as follows :**

Particulars	₹ Mn	
	As at March 31, 2022	As at March 31, 2021
Carrying amount of investments (Net of impairment provision)	-	-

**Group's share in immaterial associate is as follows :**

Particulars	₹ Mn	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit/ (loss)	-	-
Total comprehensive income/(loss)	-	-

**NOTE 63**

Previous year figures have been regrouped / rearranged wherever necessary to conform to the current period grouping.

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of **Vodafone Idea Limited****Nilangshu Katriar**

Partner

Membership No.: 58814

**Himanshu Kapania**

Non-Executive Chairman

(DIN : 03387441)

**Ravinder Takkar**

Managing Director &amp; Chief Executive Officer

(DIN : 01719511)

Place: Mumbai

Date : May 10, 2022

**Akshaya Moondra**

Chief Financial Officer

**Pankaj Kapdeo**

Company Secretary

**Vodafone Idea Limited**  
Suman Tower, Plot No. 18, Sector - 11,  
Gandhinagar - 382 011, Gujarat

**[www.myvi.in](http://www.myvi.in)**