(Please scan the QR Code to view the Draft Red Herring Prospectus)

RED HERRING PROSPECTUS
Dated March 22, 2024
(Please read Section 32 of the Companies Act, 2013)
100% Book Building Offer

BHARTI HEXACOM LIMITED

CORPORATE IDENTITY NUMBER: U74899DL1995PLC067527

<table>
<tr><th>REGISTERED OFFICE AND CORPORATE OFFICE</th><th>CONTACT PERSON</th><th>EMAIL AND TELEPHONE</th><th>WEBSITE</th></tr>
<tr><td>Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi 110 070, India</td><td>Richa Gupta Rohatgi
Company Secretary and Compliance Officer</td><td>Telephone: 011-46666100
Email: bhartihexacom@bharti.in</td><td>www.bhartihexacom.in</td></tr>
</table>

OUR PROMOTER: BHARTI AIRTEL LIMITED

<table>
<tr><th colspan="5">DETAILS OF THE OFFER TO THE PUBLIC</th></tr>
<tr><th>TYPE</th><th>FRESH ISSUE SIZE</th><th>OFFER FOR SALE SIZE</th><th>TOTAL OFFER SIZE</th><th>ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIBs, RIBs</th></tr>
<tr><td>Offer for Sale</td><td>Not applicable</td><td>Up to 75,000,000 Equity Shares aggregating up to ₹[●] million</td><td>Up to 75,000,000 Equity Shares aggregating up to ₹ [●] million</td><td>The Offer is being made pursuant to Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) as our Company does not fulfil the requirements under Regulation 6(1) (a) and (b) of the SEBI ICDR Regulations. For further details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 414. For details in relation to the share reservation among QIBs, RIBs and NIBs, see “Offer Structure” on page 439.</td></tr>
</table>

<table>
<tr><th colspan="4">DETAILS OF THE OFFER FOR SALE BY SELLING SHAREHOLDER</th></tr>
<tr><th>NAME OF THE SELLING SHAREHOLDER</th><th>TYPE</th><th>NUMBER OF EQUITY SHARES OFFERED / AMOUNT (IN ₹ MILLION)</th><th>WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*</th></tr>
<tr><td>Telecommunications Consultants India Limited</td><td>Selling Shareholder</td><td>Up to 75,000,000 Equity Shares aggregating up to ₹ [●] million</td><td>7.08</td></tr>
<tr><td colspan="4">* As certified by J. C. Bhalla & Co, Chartered Accountants by way of their certificate dated March 22, 2024.</td></tr>
</table>

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 5 each. The Floor Price, Cap Price and Offer Price (determined by our Company in consultation with the book running lead managers (“**BRLMs**”) on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Offer Price*” on page 103), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares, or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 35.

ISSUER’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder, accepts responsibility for, and confirms, that the statements specifically made or confirmed by the Selling Shareholder in this Red Herring Prospectus, to the extent that the statements and information specifically pertain to the Selling Shareholder and the Equity Shares offered by such Selling Shareholder under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”). For the purposes of the Offer, the Designated Stock Exchange shall be BSE.

<table>
<tr><th colspan="3">DETAILS OF THE BRLMs</th></tr>
<tr><th>Name of the BRLM</th><th>Contact Person</th><th>Email and Telephone</th></tr>
<tr><td>SBICAPS
Complete Investment Banking Solutions
SBI Capital Markets Limited</td><td>Vaibhav Shah/ Sylvia Mendonca</td><td>Email: bhl.ipo@sbicaps.com
Telephone: +91 22 4006 9807</td></tr>
<tr><td>AXIS CAPITAL
Axis Capital Limited</td><td>Pratik Pednekar</td><td>Email: bhartihexacom.ipo@axiscap.in
Telephone: +91 22 4325 2183</td></tr>
<tr><td>BOBCAPS
TRUST | INNOVATION | EXCELLENCE
BOB Capital Markets Limited</td><td>Nivedika Chavan</td><td>Email: bhl.ipo@bobcaps.in
Telephone: +91 22 6138 9353</td></tr>
<tr><td>ICICI Securities
ICICI Securities Limited</td><td>Gaurav Mittal/ Ashik Joisar</td><td>Email: bhartihexacomipo@icicisecurities.com
Telephone: +91 22 6807 7100</td></tr>
<tr><td>IIFL SECURITIES
IIFL Securities Limited</td><td>Yogesh Malpani / Pawan Kumar Jain</td><td>Email: bhartihexacom.ipo@iiflcap.com
Telephone: +91 22 4646 4728</td></tr>
</table>

<table>
<tr><th colspan="3">REGISTRAR TO THE OFFER</th></tr>
<tr><th>Name of the Registrar</th><th>Contact Person</th><th>Email and Telephone</th></tr>
<tr><td>KFINTECH
EXPERIENCE TRANSFORMATION</td><td>M. Murali Krishna</td><td>Email: bhl.ipo@kfintech.com
Telephone: +91 40 6716 2222/ 18003094001</td></tr>
</table>

<table>
<tr><th colspan="6">BID/OFFER PROGRAMME</th></tr>
<tr><td>ANCHOR INVESTOR BIDDING DATE</td><td>Tuesday, April 2, 2024*</td><td>BID/OFFER OPENS ON</td><td>Wednesday, April 3, 2024</td><td>BID/OFFER CLOSES ON</td><td>Friday, April 5, 2024^</td></tr>
</table>

* *Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

^ *The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Date.*

RED HERRING PROSPECTUS
Dated March 22, 2024
(Please read Section 32 of the Companies Act, 2013)
100% Book Building Offer

BHARTI HEXACOM LIMITED

Our Company was originally incorporated under the Companies Act, 1956 as 'Hexacom India Limited', and was issued a certificate of incorporation on April 20, 1995 and subsequently, a certificate for commencement of business by the Registrar of Companies, NCT of Delhi & Haryana at New Delhi on April 26, 1995. Subsequently, the name of our Company changed to 'Bharti Hexacom Limited', pursuant to a special resolution passed by our shareholders at its extraordinary general meeting ("**EGM**") held on September 10, 2004 and a fresh certificate of incorporation was issued by the Registrar of Companies, NCT of Delhi & Haryana at New Delhi on December 2, 2004. For details, see "*History and Certain Corporate Matters"* on page 216.

Corporate Identity Number: U74899DL1995PLC067527**; Website**: www.bhartihexacom.in

Registered Office and Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi 110 070, India

Contact Person: Richa Gupta Rohatgi, Company Secretary and Compliance Officer**; Telephone:** 011-46666100**, Email:** bhartihexacom@bharti.in

OUR PROMOTER: BHARTI AIRTEL LIMITED

INITIAL PUBLIC OFFERING OF UP TO 75,000,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF BHARTI HEXACOM LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING AN OFFER FOR SALE OF UP TO 75,000,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED ("SELLING SHAREHOLDER") (THE "OFFER FOR SALE").

THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMs, AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER FINANCIAL EXPRESS, ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER JANSATTA (HINDI ALSO BEING THE REGIONAL LANGUAGE OF NEW DELHI WHERE OUR REGISTERED OFFICE IS SITUATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

This is an Offer in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in terms of Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be allocated to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders ("**NIBs**") of which (a) one-third portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders ("**RIB**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (except Anchor Investors) are mandatorily required to utilise the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter), as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA Process. For further details, see "*Offer Procedure*" on page 443.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is **₹** 5 each. The Floor Price, Cap Price and Offer Price (determined by our Company, in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 103), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI"**), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 35.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility for, and confirms, that the statements specifically made or confirmed by such Selling Shareholder in this Red Herring Prospectus, to the extent that the statements and information specifically pertain to such Selling Shareholder and the Equity Shares offered by such Selling Shareholder under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated February 23, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of this Red Herring Prospectus has been filed in accordance with Section 32 of the Companies Act, 2013 and the Prospectus shall be filed with the RoC in accordance with the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 518**.**

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE OFFER
SBI Capital Markets Limited 1501, 15th Floor, A & B Wing Parinee Crescenzo, BKC Bandra (East) Mumbai 400 051 Maharashtra, India **Telephone**: +91 22 4006 9807 **E-mail**: bhl.ipo@sbicaps.com **Investor Grievance ID**: investor.relations@sbicaps.com **Website**: www.sbicaps.com **Contact person**: Vaibhav Shah/ Sylvia Mendonca **SEBI Registration No.:** INM000003531	**Axis Capital Limited** 1st Floor, Axis House, C-2 Wadia International Center, Pandurang Budhkar Marg Worli, Mumbai – 400 025, Maharashtra, India **Telephone**: +91 22 4325 2183 **E-mail**: bhartihexacom.ipo@axiscap.in **Investor Grievance ID**: complaints@axiscap.in **Website**: www.axiscapital.co.in **Contact person**: Pratik Pednekar **SEBI Registration No.:** INM000012029	**BOB Capital Markets Limited** 1704, B Wing, 17th Floor Parinee Crescenzo, Plot No. C – 38/39 G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Telephone**: +91 22 6138 9353 **E-mail**: bhl.ipo@bobcaps.in **Investor Grievance ID**: investorgrievance@bobcaps.in **Website**: www.bobcaps.in **Contact person**: Nivedika Chavan **SEBI Registration No.:** INM000009926	**ICICI Securities Limited** 4th Floor, ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025 Maharashtra, India **Telephone**: +91 22 6807 7100 **E-mail**: bhartihexacomipo@icicisecurities.com **Investor Grievance ID**: customercare@icicisecurities.com **Website**: www.icicisecurities.com **Contact person**: Gaurav Mittal/ Ashik Joisar **SEBI Registration No.:** INM000011179	**IIFL Securities Limited** 24th Floor, One Lodha Place Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 Maharashtra, India **Telephone**: +91 22 4646 4728 **E-mail**: bhartihexacom.ipo@iiflcap.com **Investor Grievance ID**: ig.ib@iiflcap.com **Website**: www.iiflcap.com **Contact Person**: Yogesh Malpani / Pawan Kumar Jain **SEBI Registration No.:** INM000010940	**Kfin Technologies Limited** Selenium, Tower B, Plot No. 31 and 32, Financial District Nanakramguda, Serilingampally Hyderabad 500 032 Telangana, India **Telephone:** +91 40 6716 2222/ 18003094001 **E-mail:** bhl.ipo@kfintech.com **Investor Grievance ID:** einward.ris@kfintech.com **Website:** www.kfintech.com **Contact person**: M. Murali Krishna **SEBI Registration No.:** INR000000221

BID/OFFER PROGRAMME

BID/OFFER OPENS ON	Wednesday, April 3, 2024*	BID/OFFER CLOSES ON	Friday, April 5, 2024^

**Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

^The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to any legislation, act, statutes, rules, regulations, guidelines, circulars, notifications, clarifications, directions and policies will, unless the context otherwise requires, be deemed to include all amendments, supplements, re-enactments, modifications and replacements notified thereto, as of the date of this Red Herring Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the SEBI Act, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Objects of the Offer", "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Financial Information", "Outstanding Litigation and Other Material Developments", "Government and Other Approvals" and "Main Provisions of the Articles of Association", on pages 101, 103, 112, 120, 207, 216, 254, 382, 403 and 465, respectively, will have the meaning ascribed to such terms in those respective sections.

General Terms

Term	Description
"our Company" or "the Company" or "Hexacom"	Bharti Hexacom Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi 110 070, India.
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company.

Company and Selling Shareholder related terms

Term	Description
"Airtel"	Bharti Airtel Limited
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended.
"Audit Committee"	The audit committee of our Board constituted in accordance with the Companies Act, 2013, and the SEBI Listing Regulations and as described in "*Our Management – Committees of our Board – Audit Committee*" on page 230.
"Board" or "Board of Directors"	The board of directors of our Company, as described in "*Our Management*" on page 223.
"Chairperson"	The chairperson of our Company, being Jagdish Saksena Deepak.
"Chief Executive Officer" or "CEO"	The chief executive officer of our Company, being Marut Dilawari.
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, being Akhil Garg.
"Company Secretary and Compliance Officer"	The company secretary and compliance officer of our Company, being Richa Gupta Rohatgi.
"Corporate Office"	The corporate office of our Company situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi 110 070, India.
"Corporate Promoter" or "Promoter"	The Promoter of our Company, namely, Bharti Airtel Limited. For further details, see "*Our Promoter and Promoter Group*" on page 240.
"Corporate Social Responsibility Committee" or "CSR Committee"	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013 as described in "*Our Management – Committees of our Board – Corporate Social Responsibility Committee"* on page 235.
"CRISIL"	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited.
"CRISIL Report"	Report titled "*Assessment of telecom industry in India*" dated March 2024, issued by CRISIL which has been exclusively commissioned and paid for by us in connection with the Offer, is available on our Company's website at https://www.bhartihexacom.in/ipo.html.
"Director(s)"	Director(s) on the board of our Company, as appointed from time to time.
"Equity Shares"	Equity shares of face value of ₹ 5 each of our Company.
"Group Companies"	Our group companies identified in accordance with SEBI ICDR Regulations,

Term	Description
	whereunder the term 'group company' includes (i) companies (other than our corporate Promoter) with which there were related party transactions during the nine months period ended December 31, 2023 and December 31, 2022 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 in accordance with Ind AS 24, and (ii) any other companies as considered material by our Board, as disclosed in section "*Our Group Companies*" on page 406.
"Independent Directors"	A non-executive, independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For further details of our Independent Directors, see "*Our Management – Board of Directors*" on page 223.
"KMP" or "Key Managerial Personnel"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, which includes key managerial personnel in terms of the Companies Act, 2013, as disclosed in "*Our Management - Key Managerial Personnel* " on page 237.
"Materiality Policy"	The materiality policy of our Company adopted pursuant to a resolution of our Board dated March 15, 2024 for the identification of material (a) outstanding litigation proceedings; (b) group companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Red Herring Prospectus.
"Memorandum" or "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended.
"Nomination and Remuneration Committee"	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013, the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board – Nomination and Remuneration Committee*" on page 232.
"Non-Executive Director(s)"	A Director, not being an Executive Director. For further details, see "*Our Management – Our Board*" on page 223.
"Promoter Group"	Such entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see "*Our Promoter and Promoter Group*" on page 240.
"Registered Office"	The registered office of our Company situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi 110 070, India.
"Registrar of Companies" or "RoC"	Registrar of Companies, Delhi and Haryana at New Delhi.
"Restated Financial Information"	Restated financial information of our Company, for the nine months period ended December 31, 2023 and December 31, 2022 and for the Financial Years ended March 31, 2023, 2022 and 2021, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the guidance note on reports in company prospectuses (revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time, comprising the restated statement of assets and liabilities as at December 31, 2023 and December 31, 2022 and as at March 31, 2023, 2022 and 2021, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the nine months period ended December 31, 2023 and December 31, 2022 and for the Financial Years ended March 31, 2023, 2022 and 2021, the summary statement of material accounting policies, and other explanatory information.
"Risk Management Committee"	The risk management committee constituted in accordance with the SEBI Listing Regulations and as described in, "*Our Management – Committees of our Board – Risk Management Committee*" on page 235.
"Selling Shareholder"	Telecommunications Consultants India Limited.
"Senior Management"	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, as disclosed in "*Our Management – Senior Management*" on page 237.
"SHA"	Shareholders' agreement dated August 30, 2004, read together with the addendum dated October 7, 2004 entered into amongst TCIL and our Promoter, as amended by the amendment agreement dated January 19, 2024.
"Shareholder(s)"	The holders of Equity Shares our Company, from time to time.
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in, "*Our Management – Committees of our Board – Stakeholders' Relationship Committee*" on page 234.
"Statutory Auditor"	The current statutory auditor of our Company, being Deloitte Haskins and Sells LLP, Chartered Accountants.
"TCIL"	Telecommunications Consultants India Limited.

Offer Related Terms

Term	Description
"Abridged Prospectus"	A memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard.
"Acknowledgement Slip"	The slip or document issued by relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
"Allotment Advice"	A note or advice or intimation of Allotment, sent to all the Bidders who have made Bids for the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
"Allotment", "Allot" or "Allotted"	Unless the context otherwise requires, the transfer of Offered Shares pursuant to the Offer for Sale to the successful Bidders.
"Allottee"	A successful Bidder to whom the Equity Shares are Allotted.
"Anchor Investor(s)"	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of at least ₹100.00 million.
"Anchor Investor Allocation Price"	The price at which Equity Shares will be allocated to Anchor Investors on the Anchor Investor Bidding Date in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the BRLMs.
"Anchor Investor Application Form"	Form used by an Anchor Investor to Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
"Anchor Investor Bidding Date"	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
"Anchor Investor Offer Price"	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
"Anchor Investor Portion"	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising the relevant SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders.
"ASBA Account"	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder linked to a UPI ID which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder.
"ASBA Bidder"	All Bidders except Anchor Investors.
"ASBA Form"	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
"Bankers to the Offer"	Collectively, the Escrow Collection Bank, Refund Bank, Public Offer Account Bank and the Sponsor Bank(s).
"Bid(s)"	Indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto in accordance with the SEBI ICDR Regulations and in terms of this Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
"Basis of Allotment"	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 443.
"Bid Amount"	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of

Term	Description
	Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
"Bid cum Application Form"	Anchor Investor Application Form or the ASBA Form, as the context requires.
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
"Bid/Offer Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Friday, April 5, 2024, which shall be published in all editions of Financial Express (a widely circulated English daily national newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located), each with wide circulation. In case of any revisions, the extended Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations. Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
"Bid/Offer Opening Date"	Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, being, Wednesday, April 3, 2024, which shall also be notified in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) (Hindi also being the regional language of New Delhi where our registered office is located).
"Bid/Offer Period"	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereto, in accordance with the SEBI ICDR Regulations and in terms of this Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise Working Days only. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding ten Working Days.
"Bidder"	Any investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
"Bidding Centres"	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
"Book Building Process"	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer will be made.
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, namely SBI Capital Markets Limited, Axis Capital Limited, BOB Capital Markets Limited, ICICI Securities Limited and IIFL Securities Limited.
"Broker Centre"	Broker centres notified by the Registered Broker where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com),and updated from time to time.
"CAN" or "Confirmation of Allocation Note"	The note or advice or intimation of allocation of the Equity Shares to be sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date.
"Cap Price"	The higher end of the Price Band, *i.e.*, ₹ [●] per Equity Share, above which the Offer

Term	Description
	Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.
"Cash Escrow and Sponsor Bank Agreement"	Agreement dated March 22, 2024 entered into and amongst our Company, the Selling Shareholder, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members, the Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank(s) and Refund Bank in accordance with UPI Circulars, for inter alia, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
"Circular on Streamlining of Public Issues"/ "UPI Circular"	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard.
"Client ID"	Client identification number maintained with one of the Depositories in relation to the demat account.
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI RTA Master Circular, and the UPI Circulars issued by SEBI, as per the list available on the websites of BSE and NSE, as updated from time to time.
"Cut-off Price"	Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only RIBs Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
"Demographic Details"	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, bank account details and UPI ID, where applicable.
"Designated Branches"	Such branches of the SCSBs which shall collect the ASBA Forms from relevant Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
"Designated CDP Locations"	Such centres of the CDPs where ASBA Bidders can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time.
"Designated Date"	The date on which the Escrow Collection Bank transfer funds from the Escrow Account(s) to the Public Offer Account(s) or the Refund Account(s), as appropriate, and the relevant amounts blocked in the ASBA Accounts, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s) and/ or are unblocked, as applicable, as the case may be, in terms of this Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer.
"Designated Intermediaries"	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than

Term	Description
	in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by RIBs (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
"Designated RTA Locations"	Such centres of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time.
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect ASBA Forms, a list of which is available on the website of SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
"Designated Stock Exchange"	BSE
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated January 19, 2024, which was filed with SEBI and Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the Offer, including the price at which the Equity Shares are Offered and the size of the Offer.
"Eligible FPIs"	FPIs that are eligible to participate in the Offer in terms of applicable laws, other than individuals, corporate bodies and family offices and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
"Eligible NRIs"	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
"Escrow Account(s)"	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid.
"Escrow Collection Bank"	The banks which are clearing members and registered with SEBI as bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) has been opened, in this case being Axis Bank Limited.
"First Bidder" or "Sole Bidder"	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
"Floor Price"	The lower end of the Price Band, *i.e.*, ₹ [●] subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares.
"Fraudulent Borrower"	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"General Information Document" or "GID"	The general information document for investing in public issues, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and Book Running Lead Managers.
"Mutual Fund Portion"	Up to 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price.

Term	Description
"Mutual Fund"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
"Net QIB Portion"	QIB Portion, less the number of Equity Shares allocated to the Anchor Investors.
"Non-Institutional Bidders" or "NIB(s)"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors).
"Non-Institutional Portion"	The portion of the Offer being not more than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price, subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 200,000 and up to ₹ 1,000,000; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1,000,000. Provided that the unsubscribed portion in either of the sub-categories specified in (i) and (ii) above may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price.
"Non-Resident" or "NRI"	A person resident outside India, as defined under FEMA.
"Offer Agreement"	The agreement dated January 19, 2024 amended by an amendment agreement dated March 15, 2024 entered amongst our Company, the Selling Shareholder and the Book Running Lead Managers, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer.
"Offer for Sale"	The offer for sale of up to 75,000,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholder.
"Offer Price"	₹ [●] per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the Book Running Lead Managers, in accordance with the Book Building Process on the Pricing Date and in terms of this Red Herring Prospectus.
"Offer Proceeds"	The proceeds of the Offer for Sale which shall be available to the Selling Shareholder. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 101.
"Offer"	Initial public offering of up to 75,000,000 Equity Shares of face value of ₹ 5 each of our Company for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million. The Offer comprises an Offer for Sale of up to 75,000,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholder.
"Offered Shares"	The Equity Shares being offered by the Selling Shareholder as part of the Offer for Sale comprising an aggregate of up to 75,000,000 Equity Shares.
"Price Band"	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the Book Running Lead Managers, and will be advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
"Pricing Date"	The date on which our Company, in consultation with the Book Running Lead Managers, will finalise the Offer Price.
"Prospectus"	The prospectus to be filed with the RoC, in accordance with the provisions of Sections 26 and 32 Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
"Public Offer Account Bank"	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) has been opened for the collection

Term	Description
	of, in this case being Kotak Mahindra Bank Limited.
"Public Offer Account(s)"	The 'no-lien' and 'non-interest bearing' account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date.
"QIB Portion"	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Offer, consisting of [●] Equity Shares which shall be available for allocation to QIBs, including the Anchor Investors on a proportionate basis, including the Anchor Investor Portion (which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the Book Running Lead Managers, up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors), as applicable.
"Qualified Institutional Buyers" or "QIBs"	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"Red Herring Prospectus" or "RHP"	This red herring prospectus dated March 22, 2024 issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. This red herring prospectus has been filed with the RoC at least three Working Days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
"Refund Account(s)"	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
"Refund Bank"	The banks which are clearing members and registered with SEBI under the BTI Regulations with whom the Refund Account(s) has been opened, in this case being Axis Bank Limited.
"Registered Broker"	Stock brokers registered with SEBI under the Securities and Exchange board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals other than the members of the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars issued by SEBI.
"Registrar Agreement"	The agreement dated January 19, 2024, entered into amongst our Company, the Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars.
"Registrar" or "Registrar to the Offer"	KFin Technologies Limited.
"Resident Indian"	A person resident in India, as defined under FEMA.
"Retail Individual Bidders" or "RIB(s)"	Individual Bidders (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the Bidding options in the Offer.
"Retail Portion"	The portion of the Offer being not more than 10% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
"Revision Form"	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
"Self Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time.

Term	Description
	Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time.
"Share Escrow Agent"	Escrow agent appointed pursuant to the Share Escrow Agreement, namely KFin Technologies Limited.
"Share Escrow Agreement"	The agreement dated March 21, 2024 entered into amongst our Company, the Selling Shareholder, and the Share Escrow Agent for deposit of the Equity Shares offered by the Selling Shareholder in escrow.
"Specified Locations"	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time.
"Sponsor Banks"	The Bankers to the Offer registered with SEBI which are appointed by our Company to act as conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI Mandate Request in accordance with the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, the Sponsor Banks in this case being Axis Bank Limited and Kotak Mahindra Bank Limited.
"Stock Exchange(s)"	Together, BSE Limited and National Stock Exchange of India Limited.
"Syndicate Agreement"	Agreement dated March 22, 2024 entered into among our Company, the Selling Shareholder, the Book Running Lead Managers, the Registrar and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
"Syndicate Members"	Intermediaries (other than Book Running Lead Managers) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Offer and carry out activities as an underwriter namely, SBICap Securities Limited and Investee Capital Services (India) Private Limited.
"Syndicate" or "members of the Syndicate"	Together, the Book Running Lead Managers and the Syndicate Members.
"Systemically Important Non-Banking Financial Company" or "NBFC-SI"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
"Underwriters"	[●]
"Underwriting Agreement"	The agreement to be entered into amongst the Underwriters, the Selling Shareholder and our Company on or after the Pricing Date, but prior to filing of the Prospectus.
"UPI Bidders"	Collectively, individual Bidders applying as Retail Individual Bidders in the Retail Portion and individual Bidders applying as Non-Institutional Bidders with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion by using the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
"UPI ID"	ID created on UPI for single-window mobile payment system developed by the NPCI.
"UPI Mandate Request"	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of an SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with the applicable UPI Circulars, UPI Bidders Bidding may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.
"UPI Mechanism"	The mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with the UPI Circulars.

Term	Description
“UPI PIN”	Password to authenticate UPI transaction.
“UPI”	Unified Payments Interface, which is an instant payment mechanism developed by NPCI.
“Wilful Defaulter”	A wilful defaulter, as defined under the SEBI ICDR Regulations.
“Working Day”	All days, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean all days except Saturday, Sunday and public holidays on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in India, as per the circular issued by SEBI from time to time.

Technical/Industry Related Terms or Abbreviations

Term	Description
“AGR”	Adjusted gross revenue.
“AI/ ML”	Artificial intelligence and machine learning.
“ARPU”	Average revenue per user.
“A-SON”	Airtel Self Optimization Network.
“Asset turnover”	Operating income, divided by gross block.
“Blended ARPU”	Sum for quarterly gross revenue for four quarters reported by TRAI, divided by average TRAI reported wireless customers of the starting and ending quarter, divided by number of months.
“BTS”	Base transceiver station.
“BWA”	Broadband Wireless Access.
“CAD”	Current account deficit.
“CMS”	Telecom customer market share, calculated as the total customer base of the operator as of exit quarter, divided by total telecom customers as of exit quarter.
“COAI”	Cellular Operators Association of India.
“CPI”	Consumer price index.
“CSO”	Central Statistics Office.
“Data customers share”	Number of internet users, divided by total telecom customers.
“Data usage per customer per month”	Total GBs on network, divided by reported data customers as of exit quarter of each of the respective fiscal year or half year, divided by number of months.
“DTH”	Direct-to-home.
“Exit Quarter Blended” “ARPU”	Quarterly gross revenue reported by TRAI, divided by average TRAI reported wireless customers of opening and closing quarter, divided by 3.
“Exit Quarter Wireless ARPU”	Quarterly gross revenue reported by TRAI, divided by average TRAI reported wireless customers of opening and closing quarter, divided by three.
“FIT”	Flexible inflation targeting.
“FTTH”	Fiber to the Home.
“GB”	Gigabyte.
“GDP”	Gross domestic product.
“GNI”	Gross national income.
“GSDP”	Gross state domestic product.
“GSM”	Global System for Mobile Service.
“IIP”	Index of Industrial Production.
“Interest coverage ratio or ICR”	PBDIT divided by interest expenses including interest on lease.
“Internet penetration”	Number of internet users, divided by total population.
“IoT”	Internet of things.
“ISP”	Internet service provider.
“LCO”	Local cable operator.
“MB”	Megabyte.
“MHz”	Megahertz.
“MIMO”	Massive Multiple-Input Multiple-Output.
“Minutes on network per customer per month”	Minutes on network, divided by reported wireless customers as of exit quarter for respective financial year or half year, divided by number of months.
“MoSPI”	Ministry of Statistics and Programme Implementation.
“MSAN”	Multi-service access node.
“Net debt/ EBITDA”	Total of non-current and current borrowings plus non-current and current lease liabilities minus cash and cash equivalents and investments divided by EBITDA

"NLD"	National Long Distance.
"NNI"	Net national income.
"NSA"	Non standalone.
"OLT"	Optical Line Terminal.
"OTSC"	One Time Spectrum Charge.
"OTT"	Over-the-top.
"PFCE"	Private final consumption expenditure.
"POI"	Point of Interconnection.
"REC"	Revenue earning customer.
"Revenue per tower per month"	Revenue from operations, divided by mobile services, divided by number of towers, divided by number of months.
"RMS"	Telecom revenue market share, calculated as the adjusted gross revenue of the telecom wireless access service provider, divided by total adjusted gross revenue for telecom wireless access service providers. Licenses considered for this purpose include – Unified License, Unified Access Service License, Basic+Wireless in Local Loop, Mobile, NLD.
"RoCE"	Profit before interest and tax (PBIT) including extraordinary income/expense, divided by average share capital plus equity reserves plus total debt plus lease liabilities plus deferred payment liabilities less cash and cash equivalents less marketable securities.
"RoE"	PAT (including extraordinary income), divided by (share capital plus equity reserves).
"SA"	Standalone.
"SUC"	Spectrum Usage Charges.
"UAS"	Unified Access Services.
"VLR"	Visitor Location Register.
"Wireless ARPU"	Sum for quarterly gross revenue for four quarters reported by TRAI, divided by average TRAI reported wireless customers of the starting and ending quarter, divided by number of months.
"Wireless CMS"	Total wireless customer base of the operator as of exit quarter, divided by total wireless telecom customers in as of exit quarter.
"Wireless RMS for circle"	Adjusted gross revenue of the telecom wireless access service provider in the circle, divided by total adjusted gross revenue for telecom wireless access service providers in the circle. Licenses considered for this purpose include – Unified License, Unified Access Service License, Basic+Wireless in Local Loop, Mobile. NLD is not applicable at circle level.

Conventional and General Terms or Abbreviations

Term	Description
"₹" or "Rs." Or "Rupees" or "INR"	Indian Rupees, the official currency of the Republic of India.
"2G"	Second generation mobile telecommunication technology.
"3G"	Third generation mobile telecommunication technology.
"4G"	Fourth generation mobile telecommunication technology.
"5G"	Fifth generation mobile telecommunication technology.
"AGM"	Annual general meeting.
"AIFs"	Alternative investment funds as defined in and registered under the AIF Regulations.
"API"	Application programming interface.
"Average Revenue per User (ARPU) for mobile services"	ARPU is a factor of revenue earned from customers divided by revenue earning customer base. For ARPU computation purposes, stringent definition of customer base is used in terms of revenue earning customers which means customers who have done any activity *i.e.*, call/SMS/data usage, et in the last 30 days. Whereas in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).
"Average Capital Employed"	Average capital employed is calculated as total of average equity plus average net debt.
"Average Equity"	Average equity is average of opening and closing equity as of respective period/year.
"Average Net Debt"	Average net debt is average of opening and closing net debt as of respective period/year.
"BSE"	BSE Limited.
"BTI Regulations"	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
"CAGR"	Compounded Annual Growth Rate.
"Calendar Year" or "year"	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31.
"Category I AIF"	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
"Category I FPIs"	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations.
"Category II AIF"	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.

Term	Description
"Category II FPIs"	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations.
"Category III AIF"	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations.
"CCI"	Competition Commission of India.
"CDSL"	Central Depository Services (India) Limited.
"Circles(s)/ telecom circle(s)"	Service areas that the Indian telecommunications market has been segregated into.
"CIN"	Corporate Identity Number.
"Companies Act, 1956"	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
"Companies Act" or "Companies Act, 2013"	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force.
"COVID-19"	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
"CSR"	Corporate social responsibility.
"Depositories Act"	Depositories Act, 1996.
"Depository" or "Depositories"	NSDL and CDSL.
"DIN"	Director Identification Number.
"DoT"	Department of Telecommunications, Ministry of Communications, Government of India.
"DP ID"	Depository Participant's Identification Number.
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act.
"DPIIT"	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI.
"EBIT"	EBIT is calculated as profit before finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities.
"EBITDA"	EBITDA is calculated as profit before depreciation, amortization, finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities.
"EBITDA Margin"	EBITDA Margin is calculated as EBITDA (excluding interest income and net gain on marketable securities) divided by Revenue from operations.
"EPS"	Earnings per share.
"EGM"	Extraordinary general meeting.
"FDI Policy" or "Consolidated FDI Policy"	The consolidated FDI policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion).
"FDI"	Foreign direct investment.
"FEMA NDI Rules"	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
"FEMA"	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder.
"Financial Year", "Fiscal", "FY" or "F.Y."	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise.
"FIR"	First information report.
"FMCG"	Fast-moving consumer goods.
"FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
"FPI(s)"	Foreign Portfolio Investor, as defined under the FPI Regulations.
"Fugitive Economic Offender"	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018.
"FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
"FVCI"	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations.
"GDP"	Gross domestic product.
"GoI" or "Government" or "Central Government"	Government of India.
"GST"	Goods and services tax.
"HUF"	Hindu undivided family.
"ICAI"	The Institute of Chartered Accountants of India.
"ICSI"	The Institute of Company Secretaries of India.
"IFRS"	International Financial Reporting Standards of the International Accounting Standards Board.
"Ind AS"	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time.

Term	Description
“India”	Republic of India.
“IPC”	The Indian Penal Code, 1860.
“IPO”	Initial Public Offer.
“IPR”	Intellectual property rights.
“IRS”	U.S. Internal Revenue Service.
“IST”	Indian Standard Time.
“IT Act”	The Information Technology Act, 2000.
“IT”	Information Technology.
“MCA”	Ministry of Corporate Affairs, Government of India.
“MCLR”	Marginal Cost of Funds based Lending Rate.
“MICR”	Magnetic ink character recognition.
“Mn” or “mn”	Million.
“N.A.”	Not applicable.
“NACH”	National Automated Clearing House.
“NAV”	Net asset value.
“NBFC”	Non-Banking Financial Company.
“NCD”	Non-convertible debentures.
“NECS”	National electronic clearing service.
“NEFT”	National electronic fund transfer.
“Net Asset Value per Equity Share”	Net Asset Value per Equity Share is computed as total assets less total liabilities, divided by weighted average number of equity shares outstanding during the period/year.
“Net Debt”	Net Debt is calculated as total of non-current and current borrowings plus non-current and current lease liabilities minus cash and cash equivalents and investments.
“Net Worth”	Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company).
“NPCI”	National Payments Corporation of India.
“NRE Account”	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
“NRE”	Non-resident external.
“NRO Account”	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
“NRO”	Non-resident ordinary.
“NSDL”	National Securities Depository Limited.
“NSE”	National Stock Exchange of India Limited.
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer.
“ODI”	Offshore derivative instruments.
“P/E Ratio”	Price/earnings ratio.
“PAN”	Permanent account number allotted under the Income Tax Act, 1961.
“RBI”	Reserve Bank of India.
“RBI Act”	Reserve Bank of India Act, 1934.
“Regulation S”	Regulation S under the U.S. Securities Act.
“Return on Capital Employed”	Return on Capital Employed is calculated as EBIT for the year/period divided by average capital employed.
“Return on Net Worth (%)”	Return on Net Worth means Profit for the year/period (net of tax) divided by the Net Worth at the end of the respective year/period.
“Revenue from operations”	Revenue from operations comprises revenue arising from core business offerings in consumer mobile services, fixed line and broadband services.
“RONW”	Return on Net Worth.
“RTGS”	Real time gross settlement.
“Rule 144A”	Rule 144 A under the U.S. Securities Act.
“SCRA”	Securities Contracts (Regulation) Act, 1956.
“SCRR”	Securities Contracts (Regulation) Rules, 1957.
“SEBI Act”	Securities and Exchange Board of India Act, 1992.
“SEBI AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Term	Description
“SEBI Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
“SEBI Master Circular”	SEBI master circular bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.
“SEBI RTA Master Circular”	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1999.
“SEBI”	Securities and Exchange Board of India constituted under the SEBI Act.
“State Government”	Government of a State of India.
“Customer Base for mobile services (in thousands)”	The mobile customer base pertains to revenue earning customers, specifically covering prepaid and postpaid customer segments. It excludes machine-to-machine customers from the overall mobile customer base.
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
“TDSAT”	Telecom Disputes Settlement and Appellate Tribunal.
“TRAI”	Telecom Regulatory Authority of India, constituted under the Telecom Regulatory Authority of India Act, 1997.
“U.S. GAAP”	Generally Accepted Accounting Principles in the United States of America.
“U.S. QIB”	“Qualified institutional buyer”, as defined in Rule 144A of the U.S. Securities Act.
“U.S. Securities Act”	United States Securities Act of 1933, as amended.
“U.S.A”/ “U.S.”/ “United States”	The United States of America and its territories and possessions.
“USD” or “US$”	United States Dollars.
“USOF”	Universal Service Obligation Fund.
“VAT”	Value added tax.
“VCFs”	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be.

OFFER DOCUMENT SUMMARY

This section is a general summary of the terms of the Offer, certain disclosures included in this Red Herring Prospectus and are neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant to prospective investors. The Offer is being made pursuant to Regulation 6(2) of the SEBI ICDR Regulations as our Company does not fulfil the requirements under Regulation 6(1) (a) and (b) of the SEBI ICDR Regulations. For further details, see "Other Regulatory and Statutory Disclosures – Eligibility for the Offer" on page 414.

This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoter and Promoter Group", "Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Outstanding Litigation and Material Developments", and "Offer Structure", on pages 35, 70, 90, 101, 120, 190, 240, 254, 340, 382 and 439, respectively.

Summary of Primary business of our Company

We are a communications solutions provider offering consumer mobile services, fixed-line telephone and broadband services to customers in the Rajasthan and the North East telecommunication circles in India, which comprises the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. We offer our services under the brand 'Airtel'. Our revenue market share for the Rajasthan circle was 40.4%, 39.2%, 39.5%, 36.7% and 32.7%, while for the North East circle was 52.7%, 52.4%, 52.5%, 48.5% and 42.0% during the nine months ended December 31, 2023 and 2022 and Fiscals 2023, 2022 and 2021, respectively. *(Source: CRISIL Report).*

Summary of the Industry in which our Company operates

The customer base in the Rajasthan circle is expected to grow at 1.4%-1.5% CAGR between Fiscals 2023 and 2028, to reach 69.0-69.5 million, with a teledensity of 82%-83%. By Fiscal 2028, the number of internet customers is projected to reach 62.5-63.0 million from 46.9 million in Fiscal 2023, clocking a CAGR of approximately 6.0%. The customer base in the Northeast circle is expected to grow at 1.0-1.5% CAGR between Fiscals 2023 and 2028, to 13.2-13.5 million, with teledensity at 81%-82%. By Fiscal 2028, internet customers in the Northeast are projected to reach 12.5-13.5 million, at a CAGR of 6.0%-7.0%. (*Source: CRISIL Report*).

Names of the Promoter

Our Promoter is Bharti Airtel Limited. For further details, see "*Our Promoter and Promoter Group*" on page 240.

Offer Size

Offer for Sale(1)(2)	Up to 75,000,000 Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholder

(1) The Offer has been authorized by our Board pursuant to resolution passed at its meeting held on January 19, 2024 and by our Shareholders pursuant to a special resolution passed on January 19, 2024. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to a resolution at its meeting held on March 15, 2024.

(2) The Offered Shares being offered by the Selling Shareholder in the Offer for Sale are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. For further details of authorizations pertaining to the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 414.

The Offer shall constitute [●]% of the post Offer paid up Equity Share capital of our Company. For further details of the offer, see "*The Offer*" and "*Offer Structure*" on pages 70 and 439, respectively.

Objects of the Offer

The objects of the Offer are to (i) carry out the Offer for Sale of up to 75,000,000 Equity Shares by the Selling Shareholder, constituting 15% of the pre-Offer paid up share capital of our Company; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer, and all such proceeds will go to the Selling Shareholder.

For further details, see "*Objects of the Offer*" on page 101.

Aggregate pre-Offer shareholding of our Promoter, our Promoter Group and the Selling Shareholder

The aggregate pre-Offer shareholding of our Promoter, our Promoter Group and the Selling Shareholder as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S No.	Name of Shareholder	Pre-Offer	
		Number of Equity Shares^	Percentage of total pre-Offer paid up Equity Share capital
		Promoter	
1.	Bharti Airtel Limited	350,000,000*	70.00
	Total (A)	**350,000,000**	**70.00**
		Promoter Group	
2.	N.A.	N.A.	N.A.
	Total (B)	N.A.	N.A.
	Total of Promoter & Promoter Group (A) + (B)	**350,000,000**	**70.00**
		Selling Shareholder	
3.	Telecommunications Consultants India Limited	150,000,000	30.00
	Total (C)	**150,000,000**	**30.00**
	Total (A + B + C)	**500,000,000**	**100.00**

^ Based on the beneficiary position statement dated March 22, 2024.

**Two Equity Shares each are held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*

Summary of Financial Information

The following details of our Equity Share capital, net worth, total income, restated profit/(loss) for the period/year, earnings per Equity Share (basic and diluted), restated net asset value per Equity Share (basic and diluted) and total borrowings for the nine months period ended December 31, 2023 and December 31, 2022 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 are derived from the Restated Financial Information:

Particulars	Nine months period ended December 31, 2023#	Nine months period ended December 31, 2022#	Financial Year 2023	Financial Year 2022	Financial Year 2021
Equity share capital (in ₹ million)	2,500	2,500	2,500	2,500	2,500
Net Worth* (in ₹ million)	39,788	39,202	39,722	35,732	18,987
Total income^ (in ₹ million)	54,208	49,424	67,192	54,940	47,043
Restated Profit/(Loss) for the period/Year (₹ in million)	2,818	3,473	5,492	16,746	(10,339)
Earnings per equity share of face value of ₹ 5 each attributable to equity holders					
-Basic, computed on the basis of profit attributable to equity holders (₹)	5.64	6.95	10.98	33.49	(20.68)
-Diluted, computed on the basis of profit attributable to equity holders (₹)	5.64	6.95	10.98	33.49	(20.68)
Restated net asset value per Equity Share (Basic) ** (₹)	88.32	80.15	84.19	73.21	39.72
Restated net asset value per Equity Share (Diluted) ** (₹)	88.32	80.15	84.19	73.21	39.72
Total Borrowings***@(in ₹ million)	62,530	63,498	62,693	71,983	59,752

Notes:

1. *Accounting and other ratios are derived from the Restated Financial Information.*
2. *Earnings per share calculations are in accordance with Ind AS 33.*

** Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company). For a detailed calculation of Net Worth, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

^Total Income means revenue from operations plus other income.

***Net Asset Value per Equity Share is computed as total assets less total liabilities, divided by weighted average number of equity shares outstanding during the period/year. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period, adjusted by the number of equity shares issued during the year/period multiplied by the time-weighting factor. For a detailed calculation of Net Asset Value per Equity Share, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*
****Total borrowings includes current and non-current borrowings.*
@Net of debt orientation charges.
 # Not annualised.
^In Fiscal 2021, our revenue and profitability were impacted by low average revenue per user ("ARPU"), which was addressed by a tariff hike in November 2021. Further, our profit in Fiscal 2022 is significantly attributable to exceptional items (net) amounted of ₹ (19,511) million, which comprises gain on account of a commercial settlement with a service provider, settlement with a strategic vendor, and charge on account of levies.

For further details, see "*Other Financial Information*" on page 337.

Qualifications of the Statutory Auditor which have not been given effect to in the Restated Financial Information

There are no qualifications of the Statutory Auditor which have not been given effect to in the Restated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Promoter, Directors and Group Companies as on the date of this Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Material Developments*" in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of Entity(1)	**Criminal Proceedings**	**Tax Proceedings**	**Statutory or Regulatory Proceedings**	**Disciplinary actions by SEBI or Stock Exchanges against our Promoter**	**Material civil litigation**	**Aggregate amount involved* (₹ in million)**
Company						
By our Company	1	Nil	Nil	N.A.	Nil	Nil
Against our Company	1	50#	41	N.A.	6	24,049.00
Directors						
By our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Promoter						
By our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter	9	496	184*	1	3	370,491.40

* *To the extent quantifiable excluding interest payable.*
 # We have considered the amount in respect of tax proceedings only where there may arise the actual tax liability, basis the latest assessment order. Further, six matters under Direct Tax Vivad se Vishwas Scheme for assessment years 2005, 2007 to 2010 have been settled with the Income Tax authorities. A formal withdrawal of these matters from the courts by the tax authorities is awaited. The amount involved in these cases have been considered as nil.
(1) There is no pending litigation involving our Group Companies which will have a material impact on our Company.

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" on page 382.

Risk Factors

Specific attention of the investors is invited to "*Risk Factors*" on page 35. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of Contingent Liabilities of our Company

Except as stated below, there are no contingent liabilities of our Company as at December 31, 2023 derived from the Restated Financial Information.

Particulars	As at December 31, 2023 (in ₹ million)
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)	
- Service tax and GST	787
- Income tax	645
- Entry tax	-
- DoT demands	1,194
- Other miscellaneous demands	21
(ii) Claims under legal cases including arbitration matters	
- Access Charges / port charges	65
- Others	41
Total	**2,753**

Note:
In addition to the amounts disclosed in the table above, there are contingent liabilities on DoT matters, which include demand on account of levy of one-time spectrum charge of aggregating to ₹ 4,737 million, of which our Company had recorded a charge of ₹ 160 million for Fiscal 2020 along with interest thereon till December 31, 2023, amounting to ₹ 721 million. The balance demand amount of ₹ 4,577 million has continued as contingent liability.
If our contingent liabilities materialize, these could have an adverse impact on our reserves and statement of profit and loss by ₹7,330 million. For further information of our contingent liabilities as at December 31, 2023 as per Ind AS 37, see "Restated Financial Information – Note 20. Contingencies and commitments – (I) Contingent Liabilities" on page 300. We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations."

For further information of our contingent liabilities as at December 31, 2023 as per Ind AS 37, see "*Restated Financial Information – Note 20. Contingencies and commitments – (I) Contingent Liabilities*" on page 300.

Summary of Related Party Transactions

For details of the related party transactions, see "*Restated Financial Information – Restated Notes to Financial Information – Note 31. Related Party Disclosures*" at page 314.

A summary of the related party transactions derived from Restated Financial Information, is as follows:

(Remainder of the page intentionally left blank.)

(₹ in million)

Name of Parties	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
1. Purchase of fixed assets/bandwidth					
Parent Company					
Bharti Airtel Limited	1,014	686	832	(52)	1,045
Fellow Subsidiaries					
Bharti Airtel Services Limited	0	8	8	2	-
Telesonic Networks Limited	-	-	-	456	194
Joint Venture of the parent company					
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)	469	2	13	-	36
Entity where parent company exercise significant influence					
HCIL Comtel Private Limited	10	-	-	-	-
Other related parties					
Beetel Teletech Limited	101	31	40	-	5
2. Sale of fixed assets/IRU given					
Parent Company					
Bharti Airtel Limited	258	37	43	540	1,779
Fellow Subsidiary					
Bharti Airtel Services Limited	18	-	-	-	-
Other related parties					
Beetel Teletech Limited	-	-	-	15	-
3. Rendering of services					
Parent Company					
Bharti Airtel Limited	5,193	7,402	10,220	8,871	6,492
Fellow Subsidiaries					
Bharti Telemedia Limited	10	-	-	-	-
Nxtra Data Limited	8	10	22	1	3

Name of Parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Bharti Airtel Lanka (Private) Limited	0	-	-	0	0
Telesonic Networks Limited	-	-	-	5	2
Airtel (Seychelles) Limited	0	0	0	0	0
Airtel Congo S.A	0	0	0	0	0
Airtel Gabon S.A.	0	0	0	0	0
Airtel Madagascar S.A.	0	0	0	0	0
Airtel Malawi Public Limited Company	0	0	0	0	0
Airtel Networks Kenya Limited	0	0	0	0	0
Airtel Networks Zambia Plc	0	0	0	0	0
Airtel Rwanda Limited	0	-	-	0	0
Airtel Tanzania Public Limited Company	0	0	0	0	0
Airtel Tchad S.A.	-	-	-	-	0
Airtel Uganda Limited	0	0	0	0	0
Airtel Congo (RDC) S.A.	0	0	0	0	0
Celtel Niger S.A.	0	0	0	0	0
Bharti Airtel Nigeria B.V.	0	0	0	0	0
Bharti Airtel Uganda Holdings B.V.	-	-	-	0	0
Entity where parent company exercise significant influence					
Airtel Payment Bank Limited	3	11	10	11	13
Robi Axiata Limited	0	0	0	0	0
Firefly Networks Limited	0	-	-	-	-
Other related parties					
Jersey Airtel Limited	0	0	0	-	-
Beetel Teletech Limited	-	-	0	-	-
Singtel Mobile Singapore Pte Ltd	13	2	4	1	0
4. Receiving of services					
Parent Company					
Bharti Airtel Limited*	6,591	9,781	13,398	(4,410)	15,740
Fellow Subsidiaries					
Indus Towers Limited, formerly known as Bharti Infratel Limited (upto November 18, 2020)**	-	-	-	-	523

Name of Parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Bharti Telemedia Limited	1	2	1	3	0
Bharti Airtel Services Limited	36	-	5	21	12
Bharti Airtel Lanka (Private) Limited	1	0	0	0	0
Nxtra Data Limited	102	85	71	114	76
Telesonic Networks Limited	-	-	-	65	47
Airtel (Seychelles) Limited	0	0	0	0	0
Airtel Digital Limited	299	291	348	290	249
Bharti Airtel Nigeria B.V.	0	0	0	0	0
Airtel Congo S.A	0	0	0	0	0
Airtel Gabon S.A.	0	0	0	0	0
Airtel Madagascar S.A.	0	0	0	0	0
Airtel Malawi Public Limited Company	0	0	0	0	0
Airtel Networks Kenya Limited	0	0	0	0	0
Airtel Networks Zambia Plc	0	0	0	0	0
Airtel Rwanda Limited	0	0	0	0	0
Airtel Tanzania Public Limited Company	0	0	0	0	0
Airtel Tchad S.A.	0	0	0	0	0
Airtel Uganda Limited	0	0	0	0	0
Airtel Congo (RDC) S.A.	0	0	0	0	0
Celtel Niger S.A.	0	0	0	0	0
Bharti Airtel Uganda Holdings B.V.	0	0	0	-	-
Joint Venture of the parent company					
Indus Towers Limited (upto November 18, 2020)#	-	-	-	-	779
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)#	2,087	1,714	2,280	1,980	619
SmarTx Services Limited	-	-	-	1	0
Entity where parent company exercise significant influence					
Robi Axiata Limited	0	0	0	1	0
Hughes Communication India Pvt. Ltd.	121	53	53	-	-
HCIL Comtel Private Limited	1	-	1	-	-
Airtel Payment Bank Limited	161	179	233	187	71

Name of Parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Other related parties					
Beetel Teletech Limited	-	-	-	6	7
Jersey Airtel Limited	0	0	0	0	-
Centum learning Limited	-	4	3	3	6
Singtel Mobile Singapore Pte Ltd	2	1	1	0	0
Bharti AXA Life Insurance Company Limited	-	0	0	0	2
5. Expenses incurred on behalf of others					
Parent Company					
Bharti Airtel Limited	-	0	0	7	4
Fellow Subsidiaries					
Bharti Telemedia Limited	5	7	9	9	8
Airtel Digital Limited	6	51	54	49	21
Entity where parent company exercise significant influence					
Airtel Payment bank Limited	0	0	0	2	2
6. Fund received / Expenses incurred on behalf of the Company					
Parent Company					
Bharti Airtel Limited	1,332	1,171	1,635	1,250	1,288
Fellow Subsidiaries					
Bharti Telemedia Limited	1	-	-	-	-
Bharti Airtel Services Limited	213	176	244	174	-
Airtel Digital Limited	190	247	336	32	23
7. Reimbursement of energy expenses					
Fellow Subsidiary#					
Indus Towers Limited, formerly known as Bharti Infratel Limited (upto November 18, 2020)	-	-	-	-	1,002
Joint Venture of the parent company					
Indus Towers Limited (upto November 18, 2020)	-	-	-	-	1,580

Name of Parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)	3,047	3,292	4,358	3,744	1,465
SmarTx Services Limited	-	0	-	-	-
8. Receiving of assets (ROU / Ind AS 116)*#					
Fellow Subsidiaries					
Bharti Airtel Services Limited	8	200	217	87	-
Indus Towers Limited, formerly known as Bharti Infratel Limited (upto November 18, 2020)**	-	-	-	-	153
Joint Venture of the parent company					
Indus Towers Limited (upto November 18, 2020)	-	-	-	-	608
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 18, 2020)	3,880	7,432	9,535	1,294	657
SmarTx Services Limited	-	1	-	-	-
9. Repayment of lease liability					
Fellow Subsidiary					
Bharti Airtel Services Limited	67	30	35	-	-
Joint Venture of the parent company					
Indus Towers Limited	2,311	2,288	3,081	3,658	2,398
SmarTx Services Limited	-	1	-	-	-
10. Guarantees and collaterals on behalf of the Company					
Parent Company					
Bharti Airtel Limited	(0)	(3)	(3)	1	(420)
11. Dividend					
Parent Company					
Bharti Airtel Limited	525	-	-	-	-
Entity having significant influence over the company					

Name of Parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Telecommunications Consultants India Limited	225	-	-	-	-
12. Interest charged by the Company					
Parent Company					
Bharti Airtel Limited	415	-	-	-	-
13. Interest charged by others					
Fellow Subsidiary					
Bharti Airtel Services Limited	16	11	15	1	-

 # Amount does not include GST.

** Include one time settlement of Rs. 19,920 for previous year ended March 31, 2022.*

***During the year ended March 31, 2021, Indus Towers Limited, formerly known as Bharti Infratel Limited, which was a subsidiary of the parent company, merged with erstwhile Indus Towers Limited, a joint venture of the parent company. As a result of merger, Indus Towers Limited became the surviving company and erstwhile Indus Towers Limited stood dissolved. Additionally, the merger caused the parent company to lose control over the Indus Towers Limited w.e.f. November 19, 2020 and led to a formation of a joint venture.*

Financing Arrangements

There have been no financing arrangements whereby our Promoter, directors of our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase of any securities of our Company by any other person during a period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus.

Average cost of acquisition for our Promoter and the Selling Shareholder

The average cost of acquisition per Equity Share for shares held by our Promoter and the Selling Shareholder, as at the date of this Red Herring Prospectus, is:

Name of the Promoter	Number of Equity Shares held^	Average cost of acquisition per Equity Share (in ₹)*
Bharti Airtel Limited	350,000,000**#	16.30

^ Based on the beneficiary position statement dated March 22, 2024.
** As certified by J. C. Bhalla & Co, Chartered Accountants by way of their certificate dated March 22, 2024.*
***Two Equity Shares each are held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*
 # The equity shares of our Company of face value of ₹10 each were sub-divided to equity shares of face value of ₹5 each pursuant to a resolution passed by the Board of Directors on December 28,2023 and resolution passed by the Shareholders on December 29,2023. Accordingly, 175,000,000 equity shares of face value of ₹10 each held by Bharti Airtel Limited were sub-divided into 350,000,000 Equity Shares of face value of ₹5 each and 75,000,000 equity shares of face value of ₹10 each held by Telecommunications Consultants India Limited were sub-divided into 150,000,000 Equity Shares of face value of ₹5 each.

Name of the Selling Shareholder	Number of Equity Shares held^	Average cost of acquisition per Equity Share (in ₹)*
Telecommunications Consultants India Limited	150,000,000#	7.08

^ Based on the beneficiary position statement dated March 22, 2024.
** As certified by J. C. Bhalla & Co, Chartered Accountants by way of their certificate dated March 22, 2024.*
 # The equity shares of our Company of face value of ₹10 each were sub-divided to equity shares of face value of ₹5 each pursuant to a resolution passed by the Board of Directors on December 28,2023 and resolution passed by the Shareholders on December 29,2023. Accordingly, 175,000,000 equity shares of face value of ₹10 each held by Bharti Airtel Limited were sub-divided into 350,000,000 Equity Shares of face value of ₹5 each and 75,000,000 equity shares of face value of ₹10 each held by Telecommunications Consultants India Limited were sub-divided into 150,000,000 Equity Shares of face value of ₹5 each.

Weighted average price at which the equity shares were acquired by our Promoter and the Selling Shareholder in the one year preceding the date of this Red Herring Prospectus

The weighted average price at which the equity shares have been acquired by our Promoter and the Selling Shareholder, in the one year preceding the date of this Red Herring Prospectus is provided below.

Name	Number of equity shares acquired in the last one year	Weighted average price of equity shares acquired in the last one year (in ₹ per equity share)*
Selling Shareholder		
Telecommunications Consultants India Limited	75,000,000	-#
Promoter		
Bharti Airtel Limited	175,000,000**	-#

** As certified by J. C. Bhalla & Co, Chartered Accountants by way of their certificate dated March 22, 2024.*
***One Equity Share each is held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*
 # The equity shares of the Company of face value of ₹10 each were sub-divided to Equity Shares of face value of ₹5 each pursuant to a resolution passed by the Board of Directors on December 28, 2023 and resolution passed by the Shareholders on December 29, 2023. Accordingly,175,000,000 equity shares of face value of ₹10 each held by Bharti Airtel Limited were sub-divided into 350,000,000 Equity Shares of face value of ₹5 each and 75,000,000 equity shares of face value of ₹10 each held by Telecommunications Consultants India Limited were sub-divided into 150,000,000 Equity Shares of face value of ₹5 each. Accordingly, there will be no weighted average price of Equity Shares acquired in the last one year since the equity shares were acquired pursuant to subdivision.

Weighted average cost of acquisition of equity shares transacted in one year, eighteen months and three years preceding the date of this Red Herring Prospectus:

Period	Weighted average cost of acquisition per equity share (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition^	Range of acquisition price per equity share: lowest price – highest price (in ₹)*
Last one year preceding the date of this Red Herring Prospectus	-#	[●]	N.A.
Last 18 months preceding the date of this Red Herring Prospectus	-#	[●]	N.A.
Last three years preceding the date of this Red Herring Prospectus	-#	[●]	N.A.

** As certified by J. C. Bhalla & Co, Chartered Accountants by way of their certificate dated March 22, 2024.*

 # The equity shares of the Company of face value of ₹10 each were sub-divided to equity shares of face value of ₹5 each pursuant to a resolution passed by the Board of Directors on December 28, 2023 and resolution passed by the Shareholders on December 29, 2023. Accordingly,175,000,000 equity shares of face value of ₹10 each held by Bharti Airtel Limited were sub-divided into 350,000,000 Equity Shares of face value of ₹5 each and 75,000,000 equity shares of face value of ₹10 each held by Telecommunications Consultants India Limited were sub-divided into 150,000,000 Equity Shares of face value of ₹5 each. Accordingly, there will be no weighted average price of Equity Shares acquired in the last one year, last eighteen months & last three years, since the equity shares were acquired pursuant to subdivision.

^ To be updated in the Prospectus, once the Price Band information is available.

Details of price at which specified securities were acquired by the Promoter, members of our Promoter Group, Selling Shareholder and Shareholders with the right to nominate directors or any other special rights in the last three years preceding the date of this Red Herring Prospectus

Sr. No.	Name	Category	Date of acquisition of the equity shares	Number of equity shares acquired	Face value (in ₹)	Acquisition price per equity share* (in ₹)
1.	Bharti Airtel Limited^	Promoter	December 29, 2023	175,000,000**	5	-#
2.	Telecommunications Consultants India Limited^	Selling Shareholder	December 29, 2023	75,000,000	5	-#

** As certified by J. C. Bhalla & Co, Chartered Accountants by way of their certificate dated March 22, 2024.*

^ Also a Shareholder with the right to nominate directors.

 # The equity shares of the Company of face value of ₹10 each were sub-divided to equity shares of face value of ₹5 each pursuant to a resolution passed by the Board of Directors on December 28, 2023 and resolution passed by the Shareholders on December 29, 2023. Accordingly,175,000,000 equity shares of face value of ₹10 each held by Bharti Airtel Limited were sub-divided into 350,000,000 Equity Shares of face value of ₹5 each and 75,000,000 equity shares of face value of ₹10 each held by Telecommunications Consultants India Limited were sub-divided into 150,000,000 Equity Shares of face value of ₹5 each. Accordingly, there will be no weighted average price of Equity Shares acquired in the last one year since the equity shares were acquired pursuant to subdivision.

***One Equity Share each is held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*

Details of pre-IPO Placement

Our Company is not contemplating any pre-IPO placement, and the Offer comprises solely an Offer for Sale.

Issue of equity shares for consideration other than cash in the last one year

Our Company has not issued any equity shares for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.

Split / Consolidation of equity shares in the last one year

Except for the sub-division of our equity shares of face value of ₹ 10 each to ₹ 5 each, pursuant to resolutions passed by the Board and Shareholders on December 28, 2023 and December 29, 2023, respectively, as disclosed in "*Capital Structure – Notes to the Capital Structure – 1. Equity Share Capital History of our Company"* on page 90, there has been no split/consolidation of equity shares in the last one year.

Exemption from complying with provisions of securities laws granted by SEBI

Our Company has filed an exemption application dated November 30, 2023, for relaxation of the strict enforcement of Regulation 8A(a) of the SEBI ICDR Regulations, under Regulation 300(1) of the SEBI ICDR Regulations, to enable TCIL to sell up to its entire holding of 30% of the pre-issue share capital of the Company through the Offer. The application has been withdrawn by way of a withdrawal letter dated March 7, 2024 submitted by our Company to SEBI.

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA

Certain Conventions

All references to "India" in this Red Herring Prospectus are to the Republic of India and its territories and possession and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references to the "U.S.", "USA" or "United States" are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires or indicates, the financial information, financial ratios and any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 35, 190 and 340, respectively, and elsewhere in this Red Herring Prospectus have been derived from our Restated Financial Information.

Restated financial information of our Company, for the nine months period ended December 31, 2023 and December 31, 2022 and for the Financial Years ended March 31, 2023, 2022 and 2021, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the guidance note on reports in company prospectuses (revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time, comprising the restated statement of assets and liabilities as at December 31, 2023 and December 31, 2022 and as at March 31, 2023, 2022 and 2021, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the nine months period ended December 31, 2023 and December 31, 2022 and for the Financial Years ended March 31, 2023, 2022 and 2021, the summary statement of material accounting policies, and other explanatory information.

For further information on our Company's financial information, see "*Financial Information*" on page 254.

Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a financial year. Our Company's financial year commences on April 1 and ends on March 31 of the next calendar year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 month period ended on March 31 of that calendar year. Reference in this Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Red Herring Prospectus should be limited. There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data.

For further details in connection with risks involving differences between Indian GAAP and other accounting principles, see "*Risk Factors - Internal Risks – 44. We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the telecommunications industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 58.

Unless the context otherwise requires or indicates, any percentage or amounts (excluding certain operational metrics), with respect to financial information of our Company, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 35, 190 and 340, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of figures derived from the Restated Financial Information.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures derived from our Restated Financial Information in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to one decimal place. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Non-Generally Accepted Accounting Principles Financial Measures

Certain non-GAAP measures like EBITDA and EBITDA margin, Net Worth and Return on Net Worth, EBIT, Average net debt, Average capital employed, Return on capital employed, Net asset value per share, Net debt to EBITDA, operating cost as a percentage of revenue from operations and Debt to Equity ratio ("**Non-GAAP Measures**") presented in this Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See "*Risk Factors – 44. We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the telecommunications industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 58.

Currency and Units of Presentation

All references to:

1. "Rupees" or "INR" or "Rs." or "₹" are to the Indian Rupee, the official currency of Republic of India; and

2. "USD" or "US$" or "$" or "U.S. Dollar" are to the United States Dollar, the official currency of the United States of America;

3. "EUR" or "€" are to the euro, the official currency of the European Union.

Except otherwise specified, our Company has presented certain numerical information in this Red Herring Prospectus in "lakh", "million", "crores" "billion" and "trillion" units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Red Herring Prospectus are to Indian Standard Time.

Exchange Rates

This Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)

Currency#(2)	**As on December 31, 2023**	**As on December 31, 2022**	**As on March 31, 2023**(1)	**As on March 31, 2022**(1)	**As on March 31, 2021**(1)
1 USD	83.11	82.79	82.22	75.81	73.50
1 EUR	92.00	88.15	89.61	84.66	86.10

#Source: www.fbil.org.in

(1) All figures are rounded up to two decimals.

(2) If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus, including in "*Industry Overview*" and "*Our Business*" on pages 120 and 190, respectively, has been obtained or derived from the report titled "*Assessment of telecom industry in India*" dated March 2024, prepared by CRISIL and publicly available information as well as other industry publications and sources. The CRISIL Report has been commissioned and paid for by our Company exclusively for the purposes of the Offer, pursuant to an engagement letter dated November 17, 2023 and is available on our Company's website at https://www.bhartihexacom.in/ipo.html. Further, CRISIL *vide* their letter dated March 12, 2024 ("**Letter**") has accorded their no objection and consent to use the CRISIL Report, in full or in part, in relation to the Offer. Further, CRISIL, *vide* their Letter has confirmed that they are an independent agency, and confirmed that it is not related to our Company, our Directors, our Promoter and Selling Shareholder. For further details in relation to risks involving in this regard, see "*Risk Factors – 37. We have used information from the CRISIL Report, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information is subject to inherent risk.*" on page 55.

Disclaimer by CRISIL

CRISIL has required us to include the following disclaimer in connection with the CRISIL Report:

"*CRISIL Market Intelligence & Analytics ("**CRISIL MI&A**"), a division of CRISIL Limited ("**CRISIL**") has taken due care and caution in preparing this report ("**Report**") based on the Information obtained by CRISIL from sources which it considers reliable ("**Data**"). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Bharti Hexacom Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.*"

Aside from the above, unless otherwise stated, industry and market data used throughout this Red Herring Prospectus has been obtained from publicly available sources of industry data. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which industry and market data set forth in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 35.

Although the industry and market data used in this Red Herring Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – 37 We have used information from the CRISIL Report, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information is subject to inherent risk.*" on page 55. Accordingly, investment decisions should not be based solely on such information.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only (i) to persons in the United States that are "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as "QIBs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A, and (ii) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

FORWARD LOOKING STATEMENTS

This Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "project", "propose", "will continue", "seek to", "will achieve", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities, investments, or the industry in which we operate, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry in which we operate and incidents of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- We derive our revenues from providing mobile telephone services in Rajasthan and the North East circle and any unfavourable developments in such regions could adversely affect our business, results of operations and financial condition;
- There are outstanding legal proceedings involving our Promoter, in addition to our Company. Any adverse outcome in any of these proceedings may adversely affect our reputation, business, financial condition and results of operations;
- The Offer shall be undertaken under Regulation 6(2) of the SEBI ICDR Regulations;
- As of December 31, 2023, we had contingent liabilities which have not been provided for in our Restated Financial Information and could adversely affect our business, financial condition and results of operations; and
- Reduction in revenue we earn for our telecom services, due to regulatory ceilings on pricing, or owing to pricing pressure, reduction in average revenue per user ("**ARPU**"), may have an adverse effect on our business, financial condition, results of operations and prospects.

For further discussion of factors that could cause our actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 35, 190 and 340, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of our future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoter, the Selling Shareholder, the Book Running Lead Managers, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Offer from the date of this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with the SEBI ICDR Regulations, the Selling Shareholder shall ensure (through our Company) that the investors are informed of material developments in relation to statements and undertakings specifically confirmed or undertaken by the Selling Shareholder in relation to it and the Offered Shares from the date of this Red Herring Prospectus, until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Potential investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares pursuant to the Offer. We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate in. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, financial condition and cash flows. If any or some combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, financial condition and cash flows could be adversely affected, the price of our Equity Shares and the value of your investments in our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Key Regulations and Policies in India", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Restated Financial Information" and "Outstanding Litigation and Material Developments" on pages 120, 190, 207, 340, 254 and 382, respectively, as well as the other financial information contained in this Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer, including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Our Financial Year or Fiscal ends on March 31 of each year, and references to a particular Financial Year or Fiscal are to the twelve-month period ended March 31 of that year. Unless otherwise stated or the context otherwise requires, the financial information as of and for the nine months ended December 31, 2023 and December 31, 2022, and as of and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 included in this section has been derived from the Restated Financial Information included in this Red Herring Prospectus on page 254.

This Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 33.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of telecom industry in India" dated March, 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL, who were appointed by our Company pursuant to an engagement letter dated November 17, 2023, and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. The CRISIL Report is available on the website of our Company at https://www.bhartihexacom.in/ipo.html. See "— 37. We have used information from the CRISIL Report, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information is subject to inherent risk." on page 55. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data" on page 30.*

In this section, unless stated otherwise, references to 'our Company', 'we', 'us', 'our' are to Bharti Hexacom Limited.

Internal Risk Factors

<u>*Risks in relation to business, operations and industry*</u>

1. ***We derive our revenues from providing mobile telephone services in Rajasthan and the North East circle and any unfavourable developments in such regions could adversely affect our business, results of operations and financial condition.***

Our revenues have historically been dependent on the consumer mobility services we offer, and are concentrated in the Rajasthan and North East circles. Set forth below are details of our revenues in the corresponding periods:

Particulars	Nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
Revenue from operations (₹ million)	52,208	48,465	65,790	54,052	46,023
Revenue from mobile services in the Rajasthan and North East circles (₹ million)	50,696	47,354	64,247	52,976	45,300
Revenue from mobile services in the Rajasthan and North East circles, as a percentage of revenue from operations (%)	97.10%	97.71%	97.65%	98.01%	98.43%
Revenue from home and office services in the Rajasthan and North East circles (₹ million)	1,512	1,111	1,543	1,076	723
Revenue from home and office services in the Rajasthan and North East circles, as a percentage of revenue from operations (%)	2.90%	2.29%	2.35%	1.99%	1.57%

For further information, see "*Restated Financial Information*" beginning on page 254. Any adverse developments in the circles we operate in may impact us disproportionately compared to our competitors with pan-India operations, owing to our revenue concentration in these regions. The North East circle, in particular, requires extensive network infrastructure to access remote areas. Operations in the North East also require us to set up network infrastructure in difficult terrains and harsh weather conditions may affect our operations. We may also need to incur additional capital expenditure to set up and replace our infrastructure in remote regions, in addition to higher logistics costs. Telecom operators may face challenges relating to inconsistent power supply that affects the reliability and stability of telecom services, especially in rural areas. Rajasthan and the North East also have low population density, which may pose economic viability challenges for telecom companies. (*Source: CRISIL Report*) In addition, the scarcity of skilled and trained workforce specialised in telecom technologies in these regions poses a challenge to effectively managing and maintaining services in these regions. (*Source: CRISIL Report*)

Natural calamities or other disruptions that interrupt internet or network services may affect our operations adversely. Compared to our competitors, who may have operations across multiple circles, our scope for growth and customer addition may be restricted owing to our limited areas of operations. Any changes in customer preferences or other related factors, such as increased competition in our focus circles, regional unrest, socio-political or geographical disruption in these regions, could have an adverse effect on our business, financial condition and results of operations.

2. ***There are outstanding legal proceedings involving our Promoter, in addition to our Company. Any adverse outcome in any of these proceedings may adversely affect our reputation, business, financial condition and results of operations.***

There are outstanding legal and regulatory proceedings involving our Company and Promoter which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert the management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. The summary of such outstanding legal and regulatory proceedings as on the date of this Red Herring Prospectus is set out below:

Name of Entity[1]	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved* (₹ in million)
Company						
By our Company	1	Nil	Nil	N.A.	Nil	Nil

Name of Entity[1]	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved* (₹ in million)
Against our Company	1	50#	41	N.A.	6	24,055.00
Directors						
By our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Promoter						
By our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter	9	497	193*	1	3	370,044.84

* *To the extent quantifiable excluding interest payable.*
 # We have considered the amount in respect of tax proceedings only where there may arise the actual tax liability, basis the latest assessment order. Further, six matters under Direct Tax Vivad se Vishwas Scheme for assessment years 2005, 2007 to 2010 have been settled with the Income Tax authorities. A formal withdrawal of these matters from the courts by the tax authorities is awaited. The amount involved in these cases have been considered as nil.
[1]There is no pending litigation involving our Group Companies which will have a material impact on our Company.

We cannot assure you that any of the above on-going matters will be settled in favour of our Company, or that no additional liability will arise out of these proceedings. Our Company has assessed all outstanding litigation and these have either been provided for in the statement of profit and loss, or disclosed as contingent liabilities in the Restated Financial Information, or our Company believes that the likelihood that these would be decided against us is remote. The details of the amount involved in each of the outstanding litigation which is material in terms of the SEBI ICDR Regulations and the Materiality Policy, is disclosed in "*Outstanding Litigation and Material Developments*" on page 382 of the RHP. Further, we cannot assure you that there will be no legal and regulatory proceedings involving our Company or our Promoter or Directors in the future. An adverse outcome in any such proceedings may have an adverse effect on our business, financial condition and results of operations.

3. The Offer shall be undertaken under Regulation 6(2) of the SEBI ICDR Regulations.

We have incurred losses during Fiscal 2021, as a result, our Company is unable to comply with the eligibility requirements of Regulation 6(1) of the SEBI ICDR Regulations in relation to the average operating profits of at least ₹ 150 million during the preceding three years with operating profits in each of these preceding years. Additionally, our Company is not in compliance with the requirements in relation to net tangible assets of at least ₹ 30 million during the preceding three years of which not more than 50% are held in monetary assets, considering our net tangible assets during the preceding three Financials Years are negative.

As a result, the Offer shall be undertaken under Regulation 6(2) of the SEBI ICDR Regulations. In the event our Company fails to allot at least 75% of the Offer to the qualified institutional buyers, the Offer shall fail and the same may have an adverse impact on the reputation of our Company.

4. As of December 31, 2023, we had contingent liabilities which have not been provided for in our Restated Financial Information and could adversely affect our business, financial condition and results of operations.

The following table below sets forth our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, as of December 31, 2023:

Particulars	As of December 31, 2023 (₹ million)
(i) Taxes, duties and other demands (under adjudication/ appeal/ dispute)	
- Service tax and GST	787
-Income tax	645
-Entry tax	-
-DoT demands	1,194
-Other miscellaneous demands	21
(ii) Claims under legal cases including arbitration matters	
-Access Charges/ port charges	65
-Others	41
Total	**2,753**

In addition to the amounts disclosed in the table above, there are contingent liabilities on DoT matters, which include demand on account of levy of one-time spectrum charge of aggregating to ₹ 4,737 million, of which our Company had recorded a *charge of ₹ 160 million for Fiscal 2020 along with interest thereon till December 31, 2023, amounting to ₹ 721 million. The balance demand amount of ₹ 4,577 million has continued as contingent liability.*

If our contingent liabilities materialize, these could have an adverse impact on our reserves and statement of profit and loss by ₹7,330 million. For further information of our contingent liabilities as at December 31, 2023 as per Ind AS 37, see "*Restated Financial Information – Note 20. Contingencies and commitments – (I) Contingent liabilities*" on page 300. We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations.

5. Reduction in revenue we earn for our telecom services, due to regulatory ceilings on pricing, or owing to pricing pressure, reduction in average revenue per user ("ARPU"), may have an adverse effect on our business, financial condition, results of operations and prospects.

Telecom prices in India, or tariffs, are regulated by TRAI through the Telecommunication Tariff Order, 1999, as amended from time to time. The TRAI also determines ceilings for various telecom services. Telecom tariffs in India have declined in the past, and while these have increased in recent years, may decline in future as a result of factors such as:

- increase in competition to acquire new customers or retain existing customers, including as a result of competitors in the Indian telecom market following an aggressive pricing strategy; and
- regulatory changes or intervention, including reduction in permissible telecom tariffs under the Telecommunication Tariff Order, 1999 or other applicable law. For instance, the TRAI currently has a tariff forbearance policy, except for roaming tariffs where a ceiling is provided by the authority.

Any sustained decline in telecom tariffs or roaming charges may adversely affect our business, financial condition and results of operations. Further, in order to optimize the revenues we earn, our strategy is to premiumise our portfolio with continuous upgrades from 2G to 4G customers, pre-paid to post-paid customers, among others, which drive our ARPU growth. For further information, see "*Our Business – Our Strategies – Grow Our Revenue by Focusing on Acquiring and Retaining Quality Customers*" on page 197. We cannot assure you that there will not be declines in industry-wide ARPU as a result of factors such as regulatory intervention or competition.

Further, set forth below are details of our ARPU in the corresponding periods compared to players in the industry: (*Source: CRISIL Report*)

ARPU (₹) (As reported by companies in their filings and presentations)

Operators	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	N.A.	N.A.	N.A.	N.A.	N.A.
Bharti Airtel	145	178	193	193	208
Bharti Hexacom (Airtel)[$]	135	155	185	184	197
Vodafone Idea[1]	107	124	135	135	145
Reliance Jio[2]	138	168	179	178	182

Note: ARPU numbers are for exit quarter of respective Fiscal years / as of the nine months. For example, Fiscal 2023 number is for the fourth quarter of Fiscal 2023 and 9M Fiscal 2024 number is for the third quarter of Fiscal 2024.
$ As shared by company
1Blended ARPU as reported by the player; may include wireless and wireline
2 As reported by the company, may include revenue from wireline, broadband, FTTH and other telecom services.
Source: Company filings

If our ARPU decreases, owing to internal factors or as a result of industry trends, our profitability may be impacted. Any sustained decrease in ARPU without any tariff hikes, or failure to premiumize customers at existing tariff rates, could adversely affect our business, financial condition and results of operations.

6. We have incurred significant indebtedness, and we must service this debt and comply with any lenders' covenants to avoid defaulting on our borrowings and refinancing risk. Any default may adversely affect our business and profitability.

As of December 31, 2023, we had total outstanding borrowings of ₹37,719.55 million. For further information, see "*Financial Indebtedness*" on page 379. Our financing agreements may contain restrictive covenants that limit our ability to undertake certain types of transactions, as set forth below, any of which could adversely affect our business and financial condition. An indicative list of such restrictive covenants is disclosed below:

- change in the ownership, shareholding pattern and management control of our Company, which may result in a material adverse effect;
- amendment to the constitutional documents of our Company, which may result in a material adverse effect;

- change in general nature of business of our Company, which may result in a material adverse effect;

- declaration or payment of any dividend or other payment or distribution of any kind on or in respect of our Equity Shares, to any person; and

- entry into any scheme of amalgamation, reorganization, reconstruction, takeover, scheme of compromise or arrangement.

Set forth below are our debt to equity ratios as of the corresponding dates:

Particulars	**As of December 31,**		**As of March 31,**		
	2023	**2022**	**2023**	**2022**	**2021**
Debt to equity ratio*	1.41	1.58	1.48	1.94	2.99

* *Debt to equity ratio is calculated as non-current borrowings plus current borrowings less cash and cash equivalents, divided by equity as of the relevant date. For further information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Reconciliation of Non-GAAP measures" on page 357.*

We may be required to obtain the approval of the lenders under our financing arrangements before undertaking these significant actions. While we have received consents from, or provided intimation to, the relevant lenders in connection with the Offer, we cannot assure you that lenders will grant required approvals in future a timely manner, or at all. While there are no financial ratios that we are required to maintain under our outstanding financing arrangements as of the date of this Red Herring Prospectus, we cannot assure you that there would not be any financial ratios that we would be required to maintain for our future financing arrangements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities, which could put us at a competitive disadvantage and could have an adverse effect on our business, financial condition and results of operations. In the event we are unable to remedy defaults or obtain necessary waivers for any non-compliance, in a timely manner or at all, one or more of our lenders may accelerate our obligations under the financing agreements and seek to enforce their security interest in respect of such borrowings. Any failure to comply with a covenant under our financing agreements may also trigger cross default and cross acceleration provisions under certain of our other financing agreements and may adversely affect our ability to conduct our business. It is possible that we would not have sufficient funds upon such an acceleration of our financial obligations to pay the principal and interest in full. While we have not violated restrictive covenants under our financing agreements in the past, we cannot assure you that we will remain in compliance at all times. Our future borrowings may also contain similar or more onerous covenants.

7. ***We require significant capital to fund our capital expenditure and if we are unable to raise additional capital, our business, financial condition and results of operations could be adversely affected.***

We operate in a capital-intensive industry with high entry barriers. (*Source: CRISIL Report*) Our funding requirements are primarily for award of licenses, purchase of spectrum, network expansion and upgrades, technological advancements and general corporate purposes. Set forth below are details of our capital expenditure incurred in the corresponding periods:

Particulars	**Nine months ended December 31,**		**Fiscal**		
	2023	**2022**	**2023**	**2022**	**2021**
	(₹ million, except percentages)				
Capital expenditure(1)	16,003	25,577	30,518	8,745	15,767
Capital expenditure, as a percentage of revenue from operations	30.65%	52.77%	46.39%	16.18%	34.26%

(1) *Capital expenditure comprises of additions to property, plant and equipment, capital work-in-progress, intangible assets, intangible assets under development and capital advances.*

The actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, future cash flows being less than anticipated, price increases, unanticipated expenses, imposition of taxes, regulatory and technological changes, limitations on spectrum availability, market developments and new opportunities in the industry.

If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase, which could significantly affect our profitability and other financial measures. If we raise additional funds through the issuance of equity or equity linked instruments in future, your ownership interest in our Company may be diluted. Our ability to finance our capital expenditure plans is also subject to a number of contingencies, including restrictions under applicable laws, any restrictions on the amount of dividend payable and general economic and market conditions. Prudential norms, including borrower concentration limits prescribed by the RBI to banks in India may restrict our ability to seek additional credit facilities from our current lenders to fund our business requirements in future. We cannot assure you that bank credit facilities will be available to us in a timely manner, on commercially viable terms, or at all. An inability to obtain sufficient financing could result in the delay or abandonment of our development and expansion plans, the failure to meet pre-defined roll-out obligations or an inability to provide appropriate levels of service in all or a portion of our circles (which may lead to penalties or loss of license). As a result, if adequate amount of capital on favourable terms is not available, there could be an adverse effect on our business, financial condition and results of operations.

8. The average cost of acquisition of Equity Shares by the Selling Shareholder may be less than the Offer Price.

The average cost of acquisition of Equity Shares by the Selling Shareholder may be less than the Offer Price, which is to be determined through the Book Building Process. The details of the average cost of acquisition of Equity Shares held by the Selling Shareholder are set out below:

S. No.	Name of the Selling Shareholder	Number of Equity Shares held on a fully diluted basis	Average cost of acquisition per Equity Shares* (₹)
1.	Telecommunications Consultants India Limited	150,000,000	7.08

* *As certified by J C Bhalla & Co, by way of their certificate dated March 22, 2024.*

9. Any change in our relationship with our Promoter, Airtel and its affiliates, may adversely affect our reputation, business, operations, financial condition and results of operations.

We do not own the "*Airtel*" trademark, which is registered under various classes of the Trademark Act, 1999, in favour of our Promoter, which owns 70.00% of the shareholding of our Company as of the date of this Red Herring Prospectus. We have entered into a trademark license agreement dated January 16, 2024 with our Promoter, pursuant to which we have been granted a non-exclusive, revocable, conditional license for use of 404 registered trademarks including the "*Airtel*" brand, which is material to our operations. Further, we do not own the "*Bharti*" trademark, which is registered under various classes of the Trademark Act, 1999, in favour of Bharti Enterprises (Holding) Private Limited, and has issued a no-objection certificate to our Company for usage of the "*Bharti*" brand, trademark and logo for usage in our business and operations (including in the past and in the future) and for the purposes of the Offer. For further information, see "*Government and other Approvals*" on page 403.

We derive significant synergies from our relationship with Airtel and its affiliates, including through Indus Tower's infrastructure, inter circle roaming arrangements, its national long distance fiber, global system for mobile communication networks, mobile platform applications, property and corporate functional support. Through our arrangements for network towers, our customers can seamlessly use consumer mobile services in their home circle and while roaming. Any change in our relationship with our Promoter may deprive us of the benefits and synergies we derive from this association, including the brand name and network infrastructure support.

In addition, we have leading positions in the Rajasthan and North East circles, where our Promoter does not operate for the B2C services that our Company provides. We benefit from our Promoter's brand value, network, telecommunications infrastructure, technical expertise and products such as Airtel Payments Bank, Airtel Xstream, Airtel Thanks, Airtel Wynk, among others. Further, we are also dependent on our Promoter's design team for providing design services to our customers, which enables us to be an integrated EMS and solutions provider.

We have entered into the following agreements with our Promoter, Xtelify Limited (earlier named Airtel Digital Limited, one of our Group Companies), Airtel Payments Bank Limited ("**APBL**", one of the members of our Promoter Group and one of our Group Companies), Bharti Telemedia Limited ("**BTL**", one of the members of our Promoter Group and one of our Group Companies) and Bharti Realty Limited in relation to the business arrangements described above:

- Airtel and our Company entered into an agreement dated April 1, 2009 ("**2009 Agreement**") and addendum thereto dated March 25, 2011 ("**Addendum**", and together with the 2009 Agreement, the "**Cost Sharing Agreement**"), pursuant to which Airtel incurs common marketing, personnel and administrative expenses. Since such common expenses benefit our Company, we have agreed to share the expenditure so incurred with Airtel. In consideration of the above, for common expenses incurred, our Company is required to pay management fees to Airtel as per the method prescribed under the Cost Sharing Agreement. In terms of the Cost Sharing Agreement, the management fees payable were limited to the common marketing, personnel and administrative expenses incurred in the Rajasthan and North-East circles. Set forth below are common cost allocation paid to Airtel in the corresponding periods:

Particulars	Nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
Common cost allocation paid to Airtel* (₹ million)	914	822	1,106	750	718
Common cost allocation paid to Airtel*, as a percentage of revenue from operations (%)	1.75%	1.70%	1.68%	1.39%	1.56%

** Excluding GST.*

- Since Airtel and our Company are in the same line of business, we enter into various business transactions, pursuant to which certain moneys become due and payable by our Company to Airtel, and such monies are not paid on or before the due date by our Company owing to business exigencies and commercial understanding. Airtel and our Company entered into an agreement dated August 31, 2008 **(**"**2008 Agreement**"), and supplement dated May 28, 2009 ("**Supplement Agreement**"**,** and together with the 2008 Agreement, the **"Interest Agreement** for payment of interest by our Company to Airtel on all credits extended after their due dates, at a rate to be determined by the management of both companies on or before the start of the financial year. The 2008 Agreement provided that any amount which is not paid by our Company to Airtel on or before the due date shall carry interest at a rate to be mutually agreed by Airtel and our Company, on or before the start of the financial year. The Supplement Agreement established the manner of calculation of interest for loans and advances and other unpaid balances between our Company and Airtel.

- Pursuant to the license agreement dated May 5, 2015 between Bharti Realty Limited and Airtel **(**"**2015 Agreement**") read with the addendum to the 2015 Agreement between Bharti Realty Limited, Airtel and our Company dated January 17, 2024 ("**Addendum**" and together with the 2015 Agreement, the **"License Agreement**"), Bharti Realty Limited has extended the property located at Plot No. 1, Vasant Kunj Mall, Nelson Mandela Road, Vasant-Kunj Phase-II, New Delhi ("**Licensed Property**"), on leave and license basis to Airtel, and permitted Airtel to sub-license an office area admeasuring to certain area from the Licensed Property ("**Licensed Premises**") to our Company. We have acquired the rights and entitlements to use the Licensed Premises in consideration for a license fee, in terms of the License Agreement.

- Our Company had entered into the Master Services Agreement dated September 2, 2002 and the Supplementary Interconnection Agreement dated April 24, 2004 with the erstwhile Bharti Infotel Limited, which was subsequently merged with Airtel, to record the terms and conditions for interconnection of their respective telecommunication networks and revenue share arrangements in relation thereto. Subsequently, our Company entered into the National GSM Agreement dated April 1, 2007 with Airtel for the establishment of national roaming services between their global system for mobile communication networks. Airtel and our Company then entered into the Renewal Amendment Agreement dated April 1, 2009 ("**Renewal Amendment Agreement**") for the collection, carriage, transmission and delivery of national long distance and international long distance traffic. The Renewal Amendment Agreement sets out the revenue sharing arrangement between Airtel and our Company in relation to the services set out thereunder.

- Our Company entered into a license agreement dated July 1, 2020 with Xtelify Limited (then Airtel Digital Limited), whereby Xtelify Limited granted an irrevocable, perpetual, worldwide, non-transferable license to use the website and domain name for 'Airtel.in', the mobile platform applications known as 'My Airtel' or 'Airtel Thanks', 'Mitra' and 'Workforce management' or 'Airtel Konnect' or 'Airtel Works' (collectively, the "**Apps**") in consideration for a fee, as set out under the License Agreement. Our Company also has the right to customize, adapt, modify, develop or create derivatives of the Apps as it may deem fit and necessary for its use, along with the right to sub-license the Apps to our customers, employees, customers and distributors, to the extent deemed necessary, subject to the terms of the License Agreement. The License Agreement, subject to the terms prescribed therein, also allows our Company to hire a third party developer for customizing and hosting the Apps.

- Xtelify Limited, one of our Group Companies and APBL, entered into the product marketing and payment facilities agreement dated May 18, 2021 ("**PMPF Agreement**") with Airtel, our Company and BTL (collectively, "**Partners**"), whereby: (i) Xtelify Limited has agreed to provide certain promotional and marketing services to the Partners to promote and market their broadband, post-paid landline and direct-to-home, as applicable (collectively, the "**Product**"), for a fee, as set out under the PMPF Agreement; and (ii) APBL has agreed to display the Product on its platforms and to act as a Bharat Bill Payment Operating Unit for the Partners and to facilitate collection and settlement of amounts received from customers while purchasing the Product through specified platforms or for specified transactions, for a fee, as set out under the PMPF Agreement.

- Airtel and our Company entered into addendum no. 6 dated March 31, 2023 to the agreement for the provision of value added services (the "**Value Added Services Addendum**") with Xtelify Limited, one of our Group

Companies, whereby Xtelify Limited has agreed to provide music, audio-visual content, advertising, promotion services to Airtel and our Company, through its mobile application, website, Wynk Music, Airtel Xstream and Airtel Thanks, and has agreed to allow customers access for streaming and downloading the content so provided, in consideration for fees at rates specified under the Value Added Services Addendum.

For further information regarding these agreements, see "*History and Certain Corporate Matters – Other Agreements*" on page 220.

We cannot assure you that our relationship with our Promoter will not deteriorate in future, or that any of the parties to such agreements would not default on any of the terms and conditions of such agreements or even terminate the agreements. In addition, if we cease to be a subsidiary of Airtel, we may also need to compete with it in the circles in which we operate. Our credit ratings and ability to raise financing are also affected by our Promoter's creditworthiness, and the loss of Airtel's support could adversely affect our business, financial condition and results of operations.

10. We have been, and continue to be, involved in material legal proceedings.

Our Company and our Promoter have filed a review petition against the Supreme Court order dated July 23, 2021, whereby the clarification / modification applications filed by the telecom service providers for correction of errors in the Adjusted Gross Revenue ("AGR") demands, were dismissed by the Supreme Court. The matter is pending adjudication before the Supreme Court. Our Company and our Promoter have also filed a curative petition in the AGR matter ("Curative Petition") against the order dated October 24, 2019 and order dated January 16, 2020 of the Supreme Court. The matter is pending adjudication before the Supreme Court. The Company has already provided for the aggregate demand of ₹ 18,174 million involved in these matters in the statement of profit and loss in the Restated Financial Information. Accordingly, in the event of any adverse outcome in this matter, there would not be any adverse impact on our financial condition. For further information, see "*Outstanding Litigation and Material Developments – A. Litigation involving our Company - Actions taken by regulatory and statutory authorities*" on page 383. For the purpose of these matters, in terms of the license agreement for unified license dated July 24, 2015, entered into between the President of India acting through the DoT and our Company, the terms gross revenue and adjusted gross revenue are defined as follows:

- "Gross Revenue shall be inclusive of installation charges, late fees, sale proceeds of handsets (or any other terminal equipment etc.), revenue on account of interest, dividend, value added services, supplementary services, access or interconnection charges, roaming charges, revenue from permissible sharing of infrastructure and any other miscellaneous revenue, without any set-off for related item of expense, etc."

- "For the purpose of arriving at the "Adjusted Gross Revenue (AGR)" the following shall be excluded from the Gross Revenue to arrive at the AGR: (i) PSTN related call charges (Access Charges) actually paid to other eligible/entitled telecommunication service providers within India; (ii) Roaming revenues actually passed on to other eligible/entitled telecommunication service providers and; (iii) Service Tax on provision of service and Sales Tax actually paid to the Government if gross revenue and included as component of Sales Tax and Service Tax."

Further, in terms of amendments issued thereafter to the terms of the license agreement for unified license, the terms gross revenue, applicable gross revenue and adjusted gross revenue are defined as follows:

- "Gross revenue shall be inclusive of installation charges, late fees, sale proceeds of handsets (or any other terminal equipment etc.), revenue on account of interest, dividend, value added services, supplementary services, access or interconnection charges, roaming charges, revenue from permissible leasing of spectrum, revenue from permissible sharing of infrastructure and any other miscellaneous revenue, without any set-off for related item of expense, etc."

- "Applicable gross revenue shall be equal to Gross Revenue (GR) of the licensee as reduced by the items listed below: (i) Revenue from operations other than telecom activities/ operations; (ii) Revenue from activities under a license/ permission issued by Ministry of Information and Broadcasting; (iii) Receipts from the USO Fund; (iv) List of other income to be excluded from GR to arrive at ApGR: a. Income from Dividend; b. Income from Interest; c. Capital Gains on account of profit of Sale of fixed assets and securities; d. Gains from Foreign Exchange rates fluctuations; e. Income from property rent; f. Insurance claims;g. Bad Debts recovered; and h. Excess Provisions written back"

- "For the purpose of arriving at the "Adjusted Gross Revenue (AGR)", following shall be excluded from the Applicable Gross Revenue (ApGR): a. PSTN/PLMN/GMPCS related call charges (Access Charges) paid to other eligible/entitled Telecommunication service providers within India; b. Roaming revenues passed on to other eligible/entitled telecommunication service providers and; c. Goods and Service Tax

(GST) paid to the Government if the Applicable Gross Revenue (ApGR) had included as component of GST."

In respect to litigation regarding imposition of one-time spectrum charge, there is a demand aggregating to ₹ 4,737 million, of which our Company had recorded a charge of ₹ 160 million for Fiscal 2020 along with interest thereon till December 31, 2023, amounting to ₹ 721 million. The balance demand amount of ₹ 4,577 million has continued as contingent liability. For further information, see "*Outstanding Litigation and Material Developments - A. Litigation involving our Company – Actions taken by regulatory and statutory authorities*" and "*Restated Financial Information – Note 20. Contingencies and commitments – (I) Contingent Liabilities*" on pages 383 and 300, respectively. An adverse outcome in this matter may require us to pay additional spectrum charges. We cannot assure you that the provisioned amounts will be sufficient to cover liabilities in all our outstanding legal proceedings or that we will have sufficient liquidity to cover such payment obligations when they become due. Unfavourable outcomes in legal proceedings involving our Company may adversely affect our business, financial condition and results of operations.

11. ***We will not receive any proceeds from the Offer for Sale. The Selling Shareholder will receive the net proceeds from the Offer for Sale.***

The Offer consists of an Offer for Sale by the Selling Shareholder. The Selling Shareholder, shall be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses for the share of the Offer for Sale, and our Company will not receive any proceeds from the Offer for Sale. For further information, see "*Objects of the Offer*" on page 101.

12. ***There was only one disciplinary action taken against our Promoter by the National Stock Exchange of India Limited in the past.***

On the representation of our Promoter, NSE, by way of its letter dated June 8, 2023, has waived the levy of fine on our Promoter amounting to ₹ 0.02 million, with respect to Regulation 57(1) of SEBI Listing Regulations, in relation to inadvertent delay in intimation to the Stock Exchanges regarding redemption of commercial papers issued by our Promoter. For details, see "*Outstanding Litigation and Material Developments – Litigation involving our Promoter – Disciplinary action taken against our Promoter in the five Financial Years preceding the date of this Red Herring Prospectus by SEBI or any stock exchange*" on page 398. Also see *"- 14. Our non-convertible debentures ("**NCDs**") are listed on the NSE and we are subject to rules and regulations with respect to such listed NCDs. Additionally, as a 'high value debt listed entity', we are subject to additional compliances under the SEBI Listing Regulations. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, which may have an adverse effect on our business, results of operations, financial condition and cash flows*" on page 43.

13. ***Our Statutory Auditors have included certain remarks in connection with the Companies (Auditor's Report) Order, 2020/ Companies (Auditor's Report) Order, 2016.***

Our Statutory Auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020/ Companies (Auditor's Report) Order, 2016 (together, the "**CARO Report**") issued by the Central Government of India under Section 143(11) of the Companies Act, 2013 on the audited financial statements as at and for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Auditor's Observations*" on page 372.

There can be no assurance that any similar matters prescribed under the Companies (Auditor's Report) Order, 2020, or any emphasis of matter, will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

14. ***Our non-convertible debentures ("NCDs") are listed on the NSE and we are subject to rules and regulations with respect to such listed NCDs. Additionally, as a 'high value debt listed entity', we are subject to additional compliances under the SEBI Listing Regulations. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, which may have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our NCDs are listed on the debt segment of the NSE. We are required to comply with various applicable rules and regulations, including the applicable SEBI regulations and applicable provisions of the SEBI Listing Regulations, in terms of our listed NCDs. We are subject to continuous disclosure obligations under the SEBI Listing Regulations, including the requirement to publish our quarterly financial results. Such results may not be comparable with the Restated Financial Information included in this Red Herring Prospectus.

We have received notices from NSE dated January 12, 2022 and September 14, 2022 in relation to non-compliances of Regulation 60(2) and Regulation 50(1) of the SEBI Listing Regulations, with respect to notice of the record date for purposes of payment of interest on our NCDs and prior intimation of meeting, respectively. On our representation, NSE by way of its letter dated June 19, 2023 has waived the levy of fine(s) amounting to ₹ 0.01 million as mentioned therein.

While there are currently no continuing instances of non-compliances, if we fail to comply with such rules and regulations in the future, we may be subject to certain penal actions, including, restrictions on the further issuance of securities and freezing of transfers of securities, which may have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, we are qualified as a ‘high value debt listed entity’ as per the thresholds set out under the SEBI Listing Regulations. As a ‘high value debt listed entity’, Chapter IV of the SEBI Listing Regulations are applicable to us on a mandatory basis from April 1, 2023. Accordingly, the required compliance with Chapter IV of the SEBI Listing Regulations may cause additional compliance and legal costs for us and any non-compliance in relation to this may attract penalties, which may have an adverse effect on our business, results of operations and financial condition.

15. We have incurred losses in the past and we may not achieve or sustain profitability in the future.

We have, in the past, incurred loss in our operations. Set forth below are details of our profit/ (loss) after tax in the corresponding periods:

Particulars	**Nine months ended December 31,**		**Fiscal**		
	2023	**2022**	**2023**	**2022**	**2021**
	(₹ million)				
Re-stated Profit/ (Loss) for the period/ year	2,818	3,473	5,492	16,746	(10,339)

In Fiscal 2021, our revenue and profitability were impacted by low average revenue per user ("**ARPU**"), which was addressed by a tariff hike in November 2021. Further, our restated profit in Fiscal 2022 is significantly attributable to exceptional items (net) amounting to ₹19,511 million, which comprises gain on account of a commercial settlement with a service provider, settlement with a strategic vendor, and charge on account of levies. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Fiscal 2022 compared to Fiscal 2021*" on page 365. If we are ultimately unable to generate sufficient revenue to meet our financial targets, reduce costs, remain profitable and have sustainable positive cash flows, we could incur losses in future. In addition, if we record losses in the future, we may be unable to meet our financial obligations, we may breach the terms of our financial instruments and our lenders could accelerate amounts due under our existing indebtedness. The occurrence of such events could adversely affect our business, financial condition and results of operations.

Set forth below are details of our ARPU in the corresponding periods:

Particulars	**Nine months ended December 31,**		**Fiscal**		
	2023	**2022**	**2023**	**2022**	**2021**
ARPU for mobile services(1) (₹)	197	184	185	155	135
ARPU for fixed-line telephone and broadband services(1) (₹)	544	610	598	683	774

*ARPU is a factor of revenue earned from customers divided by revenue earning customer (“**REC**”) base. For internal ARPU computation purposes, we use stringent definition of customer base in terms of REC which means customers who have performed any activity i.e. call/SMS/data usage, in the last 30 days. In contrast, in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).*

16. A large part of our passive infrastructure is not owned by us and we rely on third party providers for such infrastructure. We cannot assure you that such passive infrastructure will be adequately maintained or that our strategy for the continued upgrade or rollout of our network will be implemented in a timely manner or on a cost-effective basis.

As of December 31, 2023, we utilized 24,874 network towers, of which we owned 5,092 towers, and the remaining 19,782 towers were leased from Indus Towers and other tower companies. Indus Towers is a member of our Promoter Group. Set forth below are details of towers leased by us, as of December 31, 2023, from Indus Towers, another key tower company, and collectively from all other tower companies:

Particulars	**Number of Towers Leased**
Indus Towers	13,432

Particulars	Number of Towers Leased
Tower Company 2	3,411
Others	2,939
Total	**19,782**

Set forth below are details regarding payments made to companies from whom towers were leased:

Particulars	Nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
	(₹ million, except percentages)				
Payments made to companies from whom towers were leased	12,346	10,532	13,950	14,484	11,728
Payments made to companies from whom towers were leased, as a percentage of revenue from operations	23.65%	21.73%	21.20%	26.80%	25.48%

We have entered into infrastructure sharing arrangements with Indus Towers and other tower companies. Consequently, in addition to our own towers, we are dependent on infrastructure providers such as Indus Towers and other tower companies for the maintenance and continual upgrade or rollout of our network in our circles. For further information, see "*Restated Financial Information – Note 31. Related Party Disclosures*" on page 314. Also see, " *– 26. We are dependent on a limited number of vendors to supply critical network and other equipment and services"* on page 51. While there have been no material instances in the three preceding Fiscals and the nine months ended December 31, 2023, any difficulties or delays in acquiring cell sites, or setting up towers, or the failure of any passive infrastructure provider to execute our rollout initiatives, could result in loss of opportunity to grow our network, which could result in a decrease in traffic, which could, as a result, adversely affect our business and results of operations. The operators of passive infrastructure may increase charges or renegotiate prices and we may not be able to renew contracts at terms commercially acceptable to us or at all. We cannot assure you that we will be able to identify new cell sites in a timely or cost-effective basis or that we or they will be able to secure or renew leases for existing cell sites on acceptable terms or that any such leases can be renewed on economically acceptable terms.

17. We rely on sophisticated billing, credit control and customer verification systems, any failure of which could lead to a loss of income and customers.

We are dependent on several sophisticated processes, IT systems and software packages for mobile services usage, billing and credit control. We have also outsourced certain aspects of these systems to specialist service providers, such as our Business Support Systems stack. Any failure of critical IT systems, including those provided by third parties, could have an adverse effect on our business and results of operations, and lead to a loss of revenues and customers. We are dependent on several complex software packages that record minutes used, calculate the appropriate charge and then deduct the amount due from the account of the pre-paid customer or record the amount payable by the relevant post-paid customer. Any failure to properly capture the services provided or to charge the appropriate fees could have an adverse effect on our revenue. No system or process can ensure total capture and some loss of income is common. However, if income leakages increase, or are greater than that of our competitors, then our business, financial condition and results of operations could be adversely affected.

Similarly, we are also dependent on several sophisticated systems and processes for customer verification and activation services, which ensures that all necessary documents are procured from pre-paid customers at the time of subscription in compliance with regulatory requirements in relation to verification of the identity of our customers. The DoT has issued guidelines in November 2012 for the verification of customers, and these are continuously evolving. The DoT conducts audits on a periodic basis, as well as special audits, on the basis of which it imposes penalties. We have received 8, 17, 14 and 17 penalty demand notices for amounts aggregating to ₹ 3.03 million, ₹ 8.22 million, ₹ 7.34 million and ₹ 12.41 million with respect to the nine months ended December 31, 2023 and in Fiscal 2023, 2022 and 2021, respectively. For further information on outstanding penalties, see "*Outstanding Litigation and Material Developments*" on page 382. In the event regulatory agencies direct us to release certain customer data and records in accordance with applicable law and upon analysing such information, it is alleged that we did not maintain acceptable internal processes for customer verification and activation, we may be subject to penalties and fines. We are required to comply with KYC requirements and processes in relation to our customers as per applicable Indian law. If we are unable to develop, maintain and update customer information in accordance with applicable KYC norms or are unable to prevent the misuse of our services, we may be held liable for non-compliance with governmental regulations. Further, weak internal processes could adversely affect our market position, especially if competitors have faster and better-coordinated systems for mobility customer activation.

18. ***The Offer Price, market capitalization to revenue from operations multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.***

Our revenue from operations and re-stated profit after tax in Fiscal 2023 was ₹ 65,790 million and ₹ 5,492 million, respectively. Our price to earnings ratio, based on our Fiscal 2023 profit after tax is [●] times and [●] times at the lower end and the upper end of the Price Band. Our market capitalization to revenue from operations for Fiscal 2023 multiple is [●] times and [●] times at the lower end and the upper end of the Price Band.

The table below provides details of our price to earnings ratio, price to revenue from operations and market capitalization to revenue from operations:

Particulars	**Price to Earnings Ratio***	**Market Capitalization to Revenue from operations***
For Fiscal 2023	[●]	[●]

*****_To be populated at Prospectus stage_

The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section titled "*Basis for Offer Price*" on page 103 and the Offer Price, multiples and ratios may not be indicative of the market price of the Equity Shares on listing or thereafter. Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and international markets, regulatory amendments or similar situations, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, the market price of the Equity Shares may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

19. ***We rely significantly on our information technology systems for our business and any inadequacy or security breach in such systems could adversely affect our business, financial condition and results of operations.***

We may be subject to disruptions, failures or infiltrations of our information technology systems arising from events that are wholly or partially beyond our control (including damage or incapacitation by human error, insider attacks, electrical or telecommunication outages, sabotage, computer viruses, cyberattacks or similar events, or loss of support services from third-parties, such as internet backbone providers), which could result in breaches of applicable data security laws and resultant imposition of monetary penalties, in addition to reputational harm. We may also be subject to claims by customers of interception of their mobile devices, and consequent breach of their privacy, and as of the date of this Red Herring Prospectus, are party to such proceedings.

In addition, we use third party software, platforms, services and data storage services, on-cloud and on-premises data centres, including payment gateway services, cash collection services, electronic sign services, as well as for automated calls and messages. Infiltration of our or such third parties' information technology systems may result in data losses or theft of our or customers' proprietary business or personally identifiable information, resulting in exposure to litigation, liabilities, remediation costs, disruption of internal operations, increased cybersecurity protection costs and loss of customer confidence. Although we have not experienced any data security breaches or cyberattacks in the three preceding Fiscals and the nine months ended December 31, 2023, any such security breaches or compromise of technology systems could result in damage to our reputation, institution of legal proceedings and potential imposition of penalties.

In addition, we are dependent on external vendors for certain elements of our operations, which we use and access through agreements with these external vendors. We are exposed to several risks, including but not limited to, (i) external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the risk of operational errors by their respective employees); (ii) the vendors or their employees may be involved in any fraud; and (iii) the risk that our (or our vendors') business continuity and data security systems prove to be inadequate. Such events could adversely affect our business, financial condition and results of operations.

20. ***If we do not continue to provide telecommunications or related services that are technologically up to date or keep up with changing consumer preferences, we may not remain competitive, and our business, financial condition and results of operations may be adversely affected.***

The telecommunications industry is characterized by technological changes, including an increasing pace of change in existing mobile systems, industry standards, customer demand, customer behaviour, as well as ongoing improvements in the capacity and quality of network. Our networks may need to be upgraded or modified in whole or in part in order to sustain our strong competitive position in the Indian mobile telecommunications industry. If we are unable to modify our networks and equipment on a timely and cost effective basis, we may lose customers. Set forth below are details of capital expenditure incurred on upgradation and expansion of infrastructure in the corresponding periods:

Particulars	**Nine months ended December 31, 2023,**		**Fiscal**		
	2023	**2022**	**2023**	**2022**	**2021**
	(₹ million, except percentages)				
Capital expenditure on network infrastructure*	15,402	10,357	15,068	7,698	15,231
Capital expenditure on network infrastructure, as a percentage of revenue from operations	29.50%	21.37%	22.90%	14.24%	33.09%

** Includes all tangible assets (including capital work in progress and capital advances).*

Deployment of new telecom technologies in the future may involve significant additional resources and could have an adverse impact on our results of operations, financial condition and cash flows. High-speed data services have emerged as a key competitive factor for customers in India. Technologies such as mobile money payment services, innovative mobile applications, over the top ("**OTT**") and other technology-based value-added service products are also of growing importance to our customers. While we believe we are able to offer varied offerings to our customers at present, we may not be able to provide such technologies or expand our offerings in a manner that enables us to compete effectively in the Indian telecom sector. If the costs associated with new technologies that we may introduce, such as air fiber, are higher than anticipated, our business, financial condition and results of operation may be adversely affected. In addition, we face the risk of unforeseen complications in the deployment of new services and technologies, and we cannot assure you that these new technologies will be commercially successful. Our results of operations would also suffer if our new services and products are not well-received by our customers, are not appropriately timed with market opportunities or are not effectively brought to market.

Further, certain telecommunications operators have started producing digital content of their own and offering it to their customers, while we have chosen to enter into arrangements with third party digital content developers. Developing digital content or entering into such arrangements could increase our expenses, without resulting in a consequent increase in our revenues. We cannot predict which future technologies, products, or services will be important to maintain our competitive position. To the extent we do not keep pace with technological advances or fail to respond in a timely manner to changes in the competitive environment affecting our industry, we could lose market share.

21. We are exposed to certain risks in respect of the development, expansion and maintenance of our mobile telecommunications networks. Failure to address these risks and control our operating costs may have an adverse effect on our business and profitability.

The build-out of our networks are subject to risks and uncertainties, which could delay the introduction of services in some areas and increase the cost of network construction. The speed at which we are able to expand our network and upgrade technology is critical to our ability to increase our customer base. Volatility in global commodity prices, in particular metal and fuel prices will make it more difficult for us to accurately forecast and plan the cost of equipment required for network maintenance and expansion, besides increasing our operating costs and capital expenditure.

Our operating costs are subject to fluctuations, including changes in energy consumption costs, costs of obtaining and maintaining licenses, spectrum and other regulatory requirements. Set forth below are details of our operating costs in the corresponding periods:

Particulars	**Nine months ended December 31,**		**Fiscal**		
	2023	**2022**	**2023**	**2022**	**2021**
	(₹ million, except percentages)				
Operating costs(1)	40,168	39,892	53,466	50,322	48,351
Operating costs(1), as a percentage of revenue from operations	76.94%	82.31%	81.27%	93.10%	105.06%

Operating cost incudes network operating expenses, access charges, license fee/ spectrum charges, employee benefit expense, sales and marketing expenses, other expenses and depreciation and amortization expenses. For further information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Reconciliation of Non-GAAP measures" on page 357.

Any volatility in these and other variable operating costs or any inability to pass on increased costs to the customer could have an adverse effect on our business, financial condition and results of operations.

In connection with our network strategy, we may consider establishing partnerships with other carriers in our markets, which may require funding from us. While as of the date of this Red Herring Prospectus, our Company has not incurred significant capital expenditure in relation to any partnership with any other carriers, network expansion and infrastructure projects typically require substantial capital expenditure throughout the planning and construction phases and it may take significant amount of time before we can obtain the necessary permits and approvals for such projects to be completed and accrue benefits from such expansion, during which time we are subject to a number of construction, financing, operating, regulatory and other risks beyond our control, including, but not limited to:

- shortage of material, equipment and labor, coupled with labor disputes and disputes with subcontractors;
- inadequate infrastructure, including as a result of failure by third parties to fulfil their obligations relating to the provision of utilities and transportation links that are necessary or desirable for the successful operation of a project;
- failure to complete projects according to specifications;
- adverse weather conditions, natural disasters and global geopolitical tension;
- changes in local governmental priorities or policies including security related restrictions on jurisdiction(s) from which we can purchase active infrastructure;
- accidents;
- limitations on component providers in the telecommunications industry imposed by the GoI; and
- inability to obtain and maintain project development permission or requisite governmental licenses, permits or approvals.

The occurrence of one or more of these events may hinder our ability to complete current or future network expansion projects on schedule or within budget, if at all, and may prevent us from achieving targeted increases in customer base, revenues, internal rates of return or capacity associated with such projects. This could have an adverse effect on our business, financial condition and results of operations.

22. Churn rate in the mobile telecommunications industry in India is high (Source: CRISIL Report), and we cannot assure you that we will be able to retain all our existing customers or that we will be successful in customer additions, which may have an adverse effect on our business, financial condition and results of operations.

Churn rate in the Indian telecom market is high and weighted average monthly churn rate is approximately 2.7% as of Fiscal 2023. Factors such as SIM consolidation, closure of inactive SIMs, and ease of number portability among others, contribute to a high churn rate for the industry. This makes it necessary for the telecom players to offer competitive tariffs, introduce promotional offerings and maintain service quality to retain customers. *(Source: CRISIL Report)* A high rate of churn increases our aggregate customer acquisition costs as we need to add new customers in order to maintain or grow our market share. Such customer acquisition costs include payments to be made as commission to agents, costs in relation to SIM cards, welcome kits and documentation and customer verification costs. The need to add customers also requires additional marketing expenditure which cannot be fully passed on to customers. Similarly, a high rate of churn also increases our customer retention costs as we may need to incur expenditure to dissuade our customers from shifting to our competitors by offering deals and services. Set forth below are our churn rates in the corresponding periods:

Particulars	**Nine months ended December 31, 2023,**		**Fiscal**		
	2023	**2022**	**2023**	**2022**	**2021**
	(percentages)				
Monthly churn for mobile services	2.51%	2.79%	2.69%	2.73%	1.84%
Churn rate for fixed line and broadband service customers	1.61%	1.37%	1.37%	1.26%	1.49%

Our ability to retain our existing customers and to compete effectively for new customers and reduce our rate of churn depends on, among other things:

- our ability to anticipate competitive factors affecting the industry, including new technologies, services, customer preferences, demographic trends, economic conditions and discount pricing or other strategies;

- actual or perceived quality and coverage of our networks;
- executing our marketing and sales strategies, service delivery, customer service activities including account set-up and billing;
- public perception of our brand; and
- competitive intensity on portability.

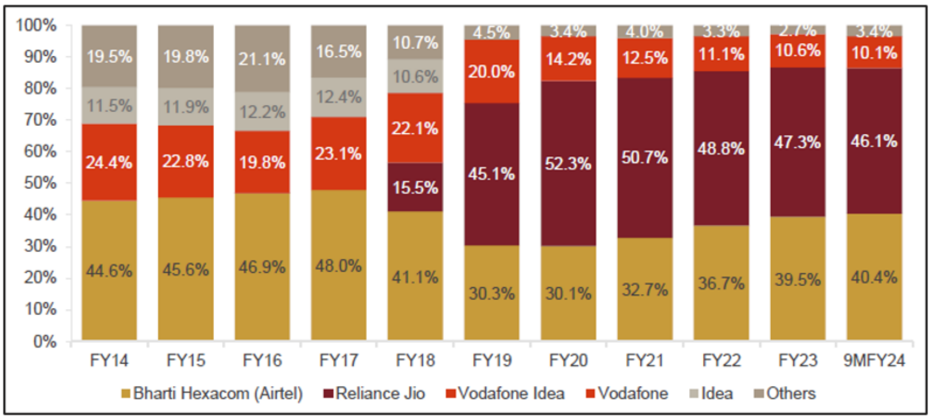
Further, while we have interconnection and international roaming agreements in place with other telecommunications operators through our Promoter, we have no direct control over the quality of their networks and the interconnections and international roaming services they provide. Any difficulties or delays in interconnecting with other networks and services, or the failure of any operator to provide reliable interconnections or roaming services to us on a consistent basis, could result in customer churn. Churn may also increase due to factors beyond our control, including, a slowing economy, a maturing customer base and competitive offers. A high rate of churn could have an adverse effect on our business and results of operations and we cannot assure you that we will be able to retain all our existing customers.

23. We face intense competition that may reduce our market share and lower our profits.

Competition in the Indian telecommunications industry is intense, and we face significant competition from other companies such as Reliance Jio Infocomm Limited, Vodafone Idea Limited and BSNL. (*Source: CRISIL Report*) In the Rajasthan and North East circles, where we operate, set forth below are our market shares by revenue in the corresponding periods: (*Source: CRISIL Report*)

Rajasthan Circle

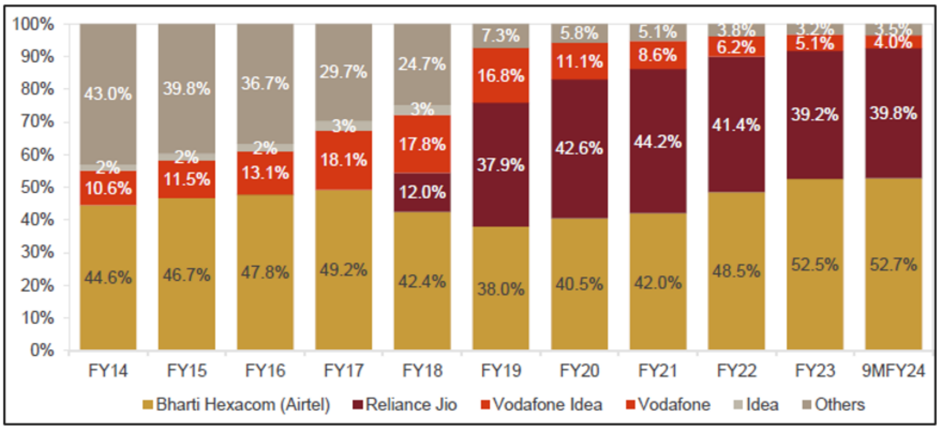
Telecom Rajasthan RMS (AGR) (wireless + wireline)



Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023. 9M represents cumulative revenue for nine months of the respective fiscal.

North East Circle

Telecom Northeast RMS (AGR) (wireless + wireline)



Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023; Source: DoT, TRAI, CRISIL MI&A.

Set forth below are our market shares by revenue in the corresponding periods: (*Source: CRISIL Report*):

Telecom Rajasthan RMS (AGR) (wireless + wireline)

Period	Bharti Hexacom (Airtel)	Reliance Jio	Vodafone Idea	Vodafone	Idea	Others
Fiscal 2014	44.6%	-	-	24.4%	11.5%	19.5%
Fiscal 2015	45.6%	-	-	22.8%	11.9%	19.8%
Fiscal 2016	46.9%	-	-	19.8%	12.2%	21.1%
Fiscal 2017	48.0%	-	-	23.1%	12.4%	16.5%
Fiscal 2018	41.1%	15.5%	-	22.1%	10.6%	10.7%
Fiscal 2019	30.3%	45.1%	20.0%	-	-	4.5%
Fiscal 2020	30.1%	52.3%	14.2%	-	-	3.4%
Fiscal 2021	32.7%	50.7%	12.5%	-	-	4.0%
Fiscal 2022	36.7%	48.8%	11.1%	-	-	3.3%
Fiscal 2023	39.5%	47.3%	10.6%	-	-	2.7%
9M Fiscal 2024	40.4%	46.1%	10.1%	-	-	3.4%

Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023.
Source: DoT, TRAI, CRISIL MI&A

Telecom North East RMS (AGR) (wireless + wireline)

Period	Bharti Hexacom (Airtel)	Reliance Jio	Vodafone Idea	Vodafone	Idea	Others
Fiscal 2014	44.6%	-	-	10.6%	1.9%	43.0%
Fiscal 2015	46.7%	-	-	11.5%	2.0%	39.8%
Fiscal 2016	47.8%	-	-	13.1%	2.4%	36.7%
Fiscal 2017	49.2%	-	-	18.1%	3.0%	29.7%
Fiscal 2018	42.4%	12.0%	-	17.8%	3.1%	24.7%
Fiscal 2019	38.0%	37.9%	16.8%	-	-	7.3%
Fiscal 2020	40.5%	42.6%	11.1%	-	-	5.8%
Fiscal 2021	42.0%	44.2%	8.6%	-	-	5.1%
Fiscal 2022	48.5%	41.4%	6.2%	-	-	3.8%
Fiscal 2023	52.5%	39.2%	5.1%	-	-	3.2%
9M Fiscal 2024	52.7%	39.8%	4.0%	-	-	3.5%

Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023.
Source: DoT, TRAI, CRISIL MI&A

In addition, liberalization of the telecommunications industry has facilitated services by mobile operators in cellular zones and may encourage foreign and domestic competitors' entry into the Indian market. We may also face increased competition as a result of consolidation among telecom operators in India or if any of our competitors begin to engage in infrastructure or spectrum sharing, or other similar arrangements. Various technology focused companies have invested, and may in the future invest, in one or more of our competitors. As a result, such competitors may enjoy certain captive technological advantages on account of their strategic partnerships. Our competitors may be able to offer services at lower prices than us, bundle services and offer telecom solutions as well as specialized, exclusive content to their customers. Certain competitors have historically provided aggressive pricing in the market including large scale free services.

We face competition from public Wi-Fi providers and providers of new telecommunication services as a result of technological developments and the convergence of various telecommunication services. For example, internet-based services, such as Google Voice, WhatsApp, Skype, Zoom, Microsoft Teams and WebEx allow users to make calls, send text messages and offer other advanced features such as the ability to route calls to multiple handsets and access to internet services without the same amount of regulatory costs and scrutiny as telecom operators. This may reduce customers' reliance on more traditional telecom services such as voice calls and short message services, resulting in a decline in our revenues.

Competition may affect our ability to bid competitively for spectrum that the GoI intends to auction, result in decline in our customer base, cause a decrease in realisation rates and ARPU, an increase in customer churn and an increase in selling and promotional expenses, all of which could reduce our market share and lower our profits.

24. ***Our ability to grow our business and our number of customers is dependent on the quality and quantity of spectrum owned by us.***

The operation of our mobile telecommunications network is limited by the quality and quantity of spectrum owned by us. Acquisition of spectrum is subject to certain conditions, risks and uncertainties, including:

- high reserve prices being set by the GoI for the auction of spectrum;
- our competitors outbidding us at the spectrum auctions and entering into spectrum sharing and trading arrangements with each other;
- regulatory uncertainties including delayed access to spectrum already acquired through competitive bidding; and
- the unavailability of spectrum in certain bands, in certain circles and inability to acquire contiguous spectrum.

Increased competition may drive bidding prices for spectrum higher and we may not be able to acquire additional spectrum or may be required to pay a higher amount for acquiring additional spectrum. We cannot assure you that there will be further auctions for spectrum, or that we will be successful in acquiring additional spectrum that we bid for, within a reasonable time, or at all. Further, we may not realize the expected benefits from our investment in additional spectrum that we anticipate when we bid for such additional spectrum. Spectrum usage rights offered in auctions are typically awarded for a period of 20 years. For further information on access spectrum held by us, see "*Our Business – Business Operations - Licenses and Regulations*" on page 202. Moreover, spectrum acquired through competitive bidding may suffer from interference, which may limit its utility, temporarily or for a sustained period. Our business, financial condition and results of operations may also be adversely affected if the GoI amends spectrum holding caps in the future, which limit the amount of spectrum that can be held by one telecom operator. If we cannot acquire spectrum of the necessary quality and quantity to deploy our services on a timely basis and at adequate cost, our ability to attract and retain customers and our ability to successfully compete would be adversely affected.

25. Poor quality of network, including redundancies and disaster recoveries, can adversely affect our business, financial condition and results of operations.

Telecom networks are subject to risks of technical failures, partner failures, human errors, wilful acts of sabotage or natural disasters. Equipment delays and failures, spare shortages, energy or fuel shortages, software errors, fiber cuts, lack of redundancy paths, weak disaster recovery fallback, and partner staff absenteeism, among others are few examples of how network failures happen. Engineering systems are critical to running the customer facing and market-facing operations, besides running internal systems. In many geographies, the quality of IT connectivity or access through internet can occasionally be erratic or unreliable, which affects the delivery of services, such as, recharges, customer query, distributor servicing, customer activation, and billing. Natural calamities such as tropical cyclones disrupt telecommunications network and may result in network downtime. Further, such calamities also lead to increased costs and expenses being incurred on the repair and rework of the infrastructure systems. Prolonged network disruptions and poor quality of network could affect our customer base and have an adverse effect on our business, financial condition and results of operations.

26. We are dependent on a limited number of vendors to supply critical network and other equipment and services.

Our principal vendors and suppliers provide network equipment and related services and site infrastructure for our operations. While we have supply and services agreements with key suppliers and vendors, we cannot assure you that we will be able to obtain satisfactory equipment and services as per our expectations. For instance, we work with several entities including Ericsson India Private Limited, Nokia Solutions and Networks India Private Limited and Ceragon Networks Ltd for critical network services. Our top five network and equipment related services suppliers contribute to a significant portion of our network and equipment related service requirements. Set forth below are details regarding the amount of network and equipment related services sourced from our top five suppliers in the corresponding periods:

Particulars	Nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
Network equipment and related services sourced from top five suppliers (₹ million)	11,221	6,945	9,755	5,094	12,035
Network equipment and related services sourced from top five suppliers, as a percentage of gross block addition in plant and machinery and capital work in progress (%)	73.50%	67.92%	65.42%	67.30%	80.95%

If our contractual arrangements with such vendors expire or terminate, or if we fail to receive the quality of equipment and maintenance services that we require, or if our key suppliers discontinue the supply of such equipment and services due to withdrawal from the Indian mobile telecommunications market or otherwise, we may find it difficult to replace a vendor on a timely basis. Certain contracts may also contain caps on the liability/indemnification obligations and we may be unable to recover sufficient amounts from such suppliers for any breach or non-compliance under the agreements.

We also rely on third party vendors for building and maintaining our fiber network. Our Company does not own optical fiber cable transmission network, and we have indefeasible right to use arrangements with other telecommunication operators for the optical fiber cable transmission network. Set forth below are the amounts spent by us on optical fiber network in the corresponding periods:

Particulars	Nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
Amount spent on optical fiber network (₹ million)	1,939	1,973	2,599	2,793	2,902
Amount spent on optical fiber network, as a percentage of revenue from operations (%)	3.71%	4.07%	3.95%	5.17%	6.31%

In case such telecommunication operators are unable to procure the necessary 'right of way' permissions in a timely manner or at all, we may be unable to expand our network and consequently our services may be adversely affected. This may also affect our future profitability and revenue since we require extensive laying out of fiber infrastructure to successfully roll out our 5G services.

Any material breach or non-compliance by our vendors could have an adverse effect on our business and results of operations. If such a vendor fails to perform adequately or we terminate the vendor, we may not be able to provide such services ourselves or find an alternative supplier without disruption to our services or incurring additional costs.

27. In the regulated telecommunications market, our licenses and spectrum allocations are subject to terms and conditions, ongoing review and varying interpretations, each of which may result in modification, suspension, early termination, expiry on completion of the term or additional payments, which could adversely affect our business, financial condition and results of operations.

The telecommunications business in India is subject to governmental regulation regarding licensing, competition, frequency allocation, costs and arrangements pertaining to interconnection and leased lines. Changes in laws, regulations or governmental policy, or failure to comply therewith, could result in penalties or sanctions, affecting our business activities, which could adversely affect our business, financial condition and results of operations.

Our telecommunication licenses and spectrum allocations are subject to the terms and conditions contained in the licenses, ongoing review and other approvals by the relevant authorities. They are also subject to conditions such as maintenance of prescribed standards and inspections and may require us to submit periodic compliance reports and incur substantial expenditure. For further information, see "*Key Regulations and Policies*" on page 207. While none of our telecommunication licenses or spectrum allocations have been revoked or cancelled in the three preceding Fiscals and the nine months ended December 31, 2023, we cannot assure you that our licenses will be renewed on satisfactory terms, or at all. Our licenses and allocations thereof are subject to varying interpretations and the licensor reserves the unilateral right to amend the terms and conditions of our telecommunication licenses.

Our unified license for providing telecom services in the Rajasthan and North East circles is due for renewal in December, 2035, while the access spectrum acquired by us in different auctions is typically valid for a period of 20 years and has varying validity dates, ranging from 2030 to 2042, depending on the respective acquisition dates. We cannot assure you that we will be able to continue to hold our existing spectrum. For further information on access spectrum held by us, see *"Our Business – Business Operations - Licenses and Regulations*" on page 202. Some of the spectrum under which we operate may need to be replaced with another spectrum, which could require higher capital expenditure. Our inability to win spectrum when it is auctioned may adversely affect our business. Further, there continues to be uncertainty as to the fees and costs of the grant and any limitations or other terms that may be imposed upon successful bids. We cannot assure you that we will be successful in obtaining or funding these licenses and spectrum, or, if licenses and spectrum are awarded, that they will be obtained on commercially acceptable terms.

Further, we have entered into agreements with the Administrator, Universal Service Obligation Fund ("**USOF**"), Department of Telecommunications, with the objective of providing mobile based services in identified locations in the Rajasthan and North East circles. For further information, see "*History and Certain Corporate Matters – Other agreements"* on page 220. Owing to delay in installation of certain sites in terms of these agreements, liquidated damages and non-performance penalties aggregating to ₹ 99 million have been imposed on us in the three preceding Fiscals and the nine months ended December 31, 2023.

28. We are dependent on our Key Managerial Personnel, Senior Management and our employees, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, financial condition and results of operations.

Our ability to compete depends upon our ability to attract, motivate, and retain qualified personnel. We are dependent on the continued contributions of our Board and are also guided by Key Managerial Personnel and Senior Management with diversified experience. The inputs and experience of our Key Managerial Personnel and Senior Management are valuable for the growth and development of business and operations and the strategic directions taken by our Company. In the nine months ended December 31, 2023 and Fiscal 2023, 2022 and 2021, our attrition rate for our employees was 16.02%, 26.10%, 39.80% and 16.10%, respectively. In addition, our resources are fungible with Airtel and we have a common talent pool. We have management integration with our Promoter to an extent, and rely on experienced personnel employed by our Promoter for business aspects such as circle heads, our CEO, CFO and various functional heads. Presently, majority of our Key Managerial Personnel and Senior Management are employees of our Promoter, Airtel, and are performing their functions in their respective capacities in accordance with the Cost Sharing Agreement. For further details see "- *9. Any change in our relationship with our Promoter, Airtel, may adversely affect our reputation, business, operations, financial condition and results of operations*" and "*History and Certain Corporate Matters – Other Agreements*" on pages 40 and 220, respectively.

We may experience low productivity levels and require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. For information in relation to change in our Key Managerial Personnel and Senior Management in the last three years, see "*Our Management – Changes in the Key Managerial Personnel and Senior Management in the three immediately preceding years*" on page 238. The continued operations and growth of our business is dependent upon our ability to attract and retain personnel. Competition for qualified personnel with relevant industry expertise in India is intense. The loss of the services of such persons may have an adverse effect on our business, financial condition and results of operations.

29. Adverse change in credit ratings assigned to us may affect our ability to raise funds for future capital requirements.

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Set forth below are our Company's credit ratings as of the date of this Red Herring Prospectus:

Instrument	Credit Rating Agency	Rating
₹ 35,000 million commercial papers	CRISIL Ratings Limited	A1+
	India Ratings and Research	A1+
₹ 20,000 million non-convertible debentures	CRISIL Ratings Limited	AA+/ Stable

While there has been no downgrade in our credit ratings in the three preceding Fiscals and the nine months ended December 31, 2023, any downgrade in our credit ratings could increase borrowing costs, result in an event of default under certain of our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our cash flows and our business. In addition, any downgrade in our credit ratings could result in a recall of existing facilities, increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future and impair our ability to raise new capital on a competitive basis, which may adversely affect our business, financial condition and results of operations. Also see "-*30. Our business is vulnerable to fluctuation in interest rates*" below. For information on our borrowings, see "*Financial Indebtedness*" on page 379.

30. Our business is vulnerable to fluctuation in interest rates.

We borrow funds in the domestic and international markets from various banks and financial institutions to meet the long-term and short-term funding requirements for our operations and to fund our growth initiatives. Our indebtedness also includes deferred payment liabilities to the DoT for spectrum and adjusted gross revenue. Set forth below are details regarding our borrowings as of the corresponding dates:

Particulars	As of December 31,		As of March 31,		
	2023	2022	2023	2022	2021
	(₹ million, except percentages)				
Total borrowings	62,536	63,545	62,724	72,045	59,792
Fixed rate borrowings	62,341	63,545	62,693	72,027	38,285
Fixed rate borrowings, as a percentage of total borrowings	99.69%	100.00%	99.95%	99.98%	64.03%

Increase in interest rates will increase the cost of debt that we incur. In addition, the interest rate that we will be able to secure in any future debt financing will depend on market conditions at the time and may differ from the rates on our existing debt. If the interest rates are high when we need to access the markets for additional debt financing, or if interest rates increase on our floating rate debt, our business, financial condition and results of operations may be adversely affected. We may have debt denominated in various currencies at floating rates of interest. We may not be able to successfully manage currency or interest rate risk and accordingly, our liability to repay on debt obligation may inflate. In addition, various aspects including tenor, purpose/end use, costs of raising debt are guided by regulatory change such as changes in regulations relating to external commercial borrowing or changes with respect to the Large Exposure Framework of the RBI that can cause our interest rates to fluctuate, impose additional hedging requirements or otherwise adversely impact the availability of capital.

31. Our Promoter exercises significant control over our Company and will continue to do so after completion of the Offer, which may limit your ability to influence the outcome of matters submitted for approval.

As on the date of this Red Herring Prospectus, our Promoter holds 70.00% of the shareholding of our Company and will continue to do so following completion of this Offer. As a result, our Promoter will continue to exercise significant control over us, including being able to determine the outcome of director elections and decisions requiring a majority of the total voting power of our shareholders. Such matters may also include the composition of our Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. Our Promoter's concentration of ownership of our Equity Share capital may also delay, defer or even prevent a change in control of our Company, and it may be more difficult or impossible for our Company to enter into certain transactions without the support of our Promoter. The trading price of our Equity Shares could be adversely affected if potential new investors are disinclined to invest in us because of any perceived disadvantages of our Promoter owning a high concentration of our shareholding. For information on our Equity Shares held by our Promoter, see "*Capital Structure — Notes to the Capital Structure — History of the share capital held by our Promoter*" on page 93. While there have been no material instances in the three preceding Fiscals and the nine months ended December 31, 2023, we cannot assure you that our Promoter will not have conflicts of interest with other Shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

32. We may be unable to adequately protect intellectual property that we use and may be subject to risks of infringement claims.

We do not hold the trademark in our name, logo and the "*Airtel*" brand, which are owned by our Promoter and licensed to us. For further information, see "*-9. Any change in our relationship with our Promoter, Airtel, may adversely affect our reputation, business, operations, financial condition and results of operations*", "*Government and Other Approvals*" and "*History and Certain Corporate Matters*" on pages 40, 403 and 216, respectively. We cannot assure you that third parties will not infringe upon the intellectual property of our Promoter, causing damage to our business prospects, reputation, and goodwill. Further, while we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. While we have not been involved in any intellectual property disputes in the three preceding Fiscals and the nine months ended December 31, 2023, we cannot assure you that we will not be involved in such disputes in the future. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed intellectual property rights. While such claims by third parties have not been made against us historically, the occurrence of any of the foregoing would adversely affect our business operations and financial results.

33. Non-receipt of payment from our customers may adversely affect our business, financial condition and results of operations.

As of December 31, 2023, 96.91% of our wireless customer base availed pre-paid services from us. As of December 31, 2023, 826,673 customers, amounting to 3.09% of our wireless customer base, availed post-paid services from us. To the extent of our post-paid customers, we receive payment in cash, by cheque, debit or credit card, other online payment mechanisms through our website, distributors, mobile applications and UPI. We send periodic reminders for payment over emails, calls and messages. However, if we are unable to receive payments pursuant to such reminders, we may also need to initiate legal proceedings to recover dues owed to us, and we cannot assure you that we will be successful in these claims. Such amounts due to us may result in bad debt if we are unable to claim these effectively. As the proportion of our postpaid customers increases, failure to recover amounts owed to us in a timely manner, or at all, may impact our cash flows, business, financial condition and results of operations.

34. Environmental and health regulations may impose additional costs and may affect our business, financial

condition and results of operations. In addition, concerns about health risks to customers stemming from mobile telecommunications equipment may reduce the demand for our services.

Our tower infrastructure and telecom business are subject to various national, state-level and municipal environmental laws and regulations in India concerning issues such as damage caused by electromagnetic radiation. We may become subject to monetary fines and penalties for violation of applicable environmental laws, regulations or administrative orders. Cases have been filed against, or involving, telecom operators, tower infrastructure providers and mobile device manufacturers in various jurisdictions, including India, relating to violation of safety norms with respect to electromagnetic field radiation and related health risks. For further information, see "*Outstanding Litigation and Material Developments – A. Litigation involving our Company - Actions taken by regulatory and statutory authorities*" on page 383. We may also, in the future, become involved in proceedings with various regulatory authorities that may require us to pay fines, comply with standards that are more rigorous or incur capital and operating expenses for environmental compliance.

The risk associated with electromagnetic field exposure poses a challenge in securing tower sites, particularly in densely populated areas of Rajasthan and limited areas of the North East. This concern may result in increased hesitancy or opposition from local communities or regulatory bodies regarding the installation or expansion of infrastructure. Public perception of potential health risks associated with mobile telecommunications could slow the growth of mobile telecommunications services companies such as us. In particular, negative public perception of, and regulations regarding, these perceived health risks could slow the market acceptance of mobile telecommunications services, which could restrict our ability to expand our business. The effect of any future laws and regulations or industry standards or any changes to existing laws and regulations or industry standards, or their current interpretation, could have an adverse effect on our business, financial condition and results of operations.

35. We may be unable to protect our rights to the land on which our active network infrastructure is placed.

To install our active network infrastructure, which is necessary for us to carry on our business, we obtain a substantial amount of space for physical infrastructural towers from Infrastructure Providers ("**IPs**") pursuant to commercial agreements. IPs take the right to use the land and property on which the towers are located under commercial contract with the landlord.

A loss of any IP interests or right to use over the land / property, including an IP's actual non-compliance with the terms of these contracts, termination thereof, or the IP's inability to secure renewal thereof on commercially reasonable terms when they expire, could interfere with our ability to operate active network infrastructure and generate revenues. Moreover, IPs may not own the land underlying their infrastructure towers, and any dispute between IPs and the owners of land on which infrastructure towers are located, or conflict with local communities, may force IPs to relocate certain towers. For instance, we have had to relocate our towers in the past owing to factors such as safety and ownership disputes involving the tower site. Any such change or disruption in the infrastructure portfolio may have an adverse effect on our ability to maintain our network and generate revenues. IPs may not be able to pass these costs on to their customers and any such relocation could cause significant disruption to our customers. For various reasons, IPs may not always have the ability to access, analyze and verify all information regarding titles and other issues prior to entering into contracts in respect of our sites, which may lead to litigation for eviction against certain IPs, and consequently us, from such lands and properties. Such disputes may restrict us from maintaining or upgrading our infrastructure. Indus Towers, our primary IP, has been named as a party to several litigation proceedings relating to the rentals of private land by it for its towers. Most of these proceedings pertain to disputes regarding the ownership of the lessors of these parcels of lands or the ability to use such land for installing towers, as well as suits for permanent and mandatory injunctions and determination of leases. The inability of Indus Towers or other IPs to protect their rights with respect to such lands and properties on which active network infrastructure is located, could have an adverse effect on our business, prospects, financial condition, cash flows and results of operations.

36. Our Promoter may have interest in entities which are in businesses similar to ours. We may also offer services which are similar to those offered by our Promoter.

Our Promoter may have interest in entities, to the extent of its shareholding, which are engaged in a line of business similar to ours. These entities may provide comparable services, expand their presence, solicit our employees or acquire interests in competing ventures in the locations or segments in which we operate.

While we have leveraged our relationship with our Promoter in the past, our Promoter may, for business considerations or otherwise, cause our Company to take actions, or refrain from taking actions, in order to benefit itself instead of our Company's interests or the interests of our other shareholders, which may be harmful to our Company's interests or the interests of our other shareholders, and which may impact our business, cash flows, financial condition and results of operations.

37. We have used information from the CRISIL Report, which we have commissioned and paid for purposes

of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information is subject to inherent risk.

We have used the report titled "*Assessment of telecom industry in India*" dated March 2024 ("**CRISIL Report**") prepared by CRISIL appointed by us pursuant to letter dated November 17, 2023, for purposes of inclusion of such information in this Red Herring Prospectus, and exclusively commissioned by our Company in connection with the Offer at an agreed fees to be paid by our Company. We have no direct or indirect association with CRISIL other than as a consequence of such an engagement. The CRISIL Report is available on the website of our Company at https://www.bhartihexacom.in/ipo.html#. The report is a paid report and is subject to various limitations and based upon certain assumptions, parameters and conditions that are subjective in nature. It also uses certain methodologies for market sizing and forecasting. Although we believe that the data and contents of the CRISIL Report may be considered to be reliable, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from third parties that involve estimates, projections, forecasts and assumptions are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer. For the disclaimer associated with the CRISIL Report, see, "*Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data*" on page 30.

38. Certain statutory and regulatory licenses and approvals are required for conducting our business and any failure or omission to obtain, maintain or renew these licenses and approvals in a timely manner, or at all, could adversely affect our business and results of operations.

In addition to telecommunications licenses, we are required to obtain, are in the process or renewal/ obtaining and have obtained, certain statutory and regulatory licenses and approvals in India for our operations. For further information, see "*Government and Other Approvals*" on page 403. We may be required to obtain new registrations, permits and approvals for our business, as a result of change in current regulations or for any proposed expansion strategy. We cannot assure you that the relevant authorities will grant or renew such approvals in a timely manner or at all. If we fail to obtain any applicable approvals, licenses, registrations or consents in a timely manner or at all, some of our contracts with third parties may be terminated and we may not be able to undertake certain operations of our business.

We require certain labour, tax and municipal registrations to operate our offices and retail stores in the ordinary course of business. These registrations include those required to be obtained or maintained under applicable legislations governing shops and establishments, professional tax, labour-related registrations (including contract labour registrations, employee state insurance and employee provident fund), GST registrations and trade licenses of the particular state in which we operate.

Further, several of the licenses and approvals required in relation to our retail stores are subject to local state or municipal laws, including the renewal of approvals, that expire from time to time, in the ordinary course of our business. The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims that we have not complied, with any of these conditions, we may be liable to fines or penalties, and our certificates of registration may be suspended or cancelled and we would no longer be able to carry on such activities required for our business. In addition, certain approvals and licenses such as fire no-objection certificate, occupancy certificate, sanctioned building plan, stability certificate for our retail stores are obtained and maintained by third parties who own the relevant premises in which these stores are situated, in terms of their arrangements with us. We cannot assure you that these third parties will continue to renew these approvals and licenses in a timely manner, or at all.

39. We do not own our retail outlets or small format stores. We also do not own the property on which our Registered Office and Corporate Office is situated. Any termination or failure by us to renew the lease and license agreements in connection with these properties, could adversely affect our business and results of operations. Moreover, many of the lease and license agreements entered into by us may not be duly registered or adequately stamped.

All of our retail outlets and small format stores are located on leased or licensed premises. Further, pursuant to the license agreement dated May 5, 2015 between Bharti Realty Limited and Airtel ("**2015 Agreement**") read with the addendum to the 2015 Agreement between Bharti Realty Limited, Airtel and our Company dated January 17, 2024 ("**Addendum**" and together with the 2015 Agreement, the "**License Agreement**"), Bharti Realty Limited has given the property located at Plot No. 1, Vasant Kunj Mall, Nelson Mandela Road, Vasant-Kunj Phase-II, New Delhi ("**Licensed Property**"), on leave and license basis to Airtel, and permitted Airtel to sub-license an office of a certain area from the Licensed Property ("**Licensed Premises**") to our Company. We have acquired the rights and entitlements to use the Licensed Premises in consideration for a license fee, in terms of the License Agreement. For details, see "*History and Certain Corporate Matters – Other Agreements*" on page 220. As we do not own the property on which our Registered and Corporate Office is situated, a failure to renew such license agreement for these premises on terms and conditions acceptable to us or at all, may require us to move our Registered and Corporate Office to new premises.

In connection with our retail outlets and small format stores, the lease agreements can be terminated, and any such termination could result in any of our branches being shifted or shut down. Some of the lease and license agreements may have expired in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease and license agreements. If these lease and license agreements are not renewed or not renewed on terms favorable to us, we may suffer a disruption in our operations or increased costs, or both. Further, unless our lease and license agreements are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. For information in relation to our premises, see "*Our Business – Properties*" on page 206.

40. Negative publicity could damage our reputation and adversely impact our business, financial condition and results of operations.

We may face negative publicity owing to factors such as network connectivity, customer satisfaction and the efficacy of our complaints and grievance redressal process. While there have been no material instances in the three preceding Fiscals and the nine months ended December 31, 2023, larger negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents attract regulatory investigations. Negative publicity can result from our own or our third-party service providers' actual or alleged conduct, and actions taken in response to that conduct. The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information's accuracy. Such unverifiable or false information regarding us may be published on print, electronic or social media by third parties, and any other such damage to our brand or our reputation may result in loss of our existing customers and loss of new business from potential customers. This could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, financial condition and results of operations.

41. Our business depends on the delivery of an adequate and uninterrupted supply of electrical power and fuel at a reasonable cost.

As of December 31, 2023, across both the circles, we were present in 486 census towns and had 27.1 million customers. As of December 31, 2023, we utilized 24,874 network towers, of which we owned 5,092 towers, and the remaining 19,782 towers were leased from Indus Towers and other tower companies. Our tower sites require an adequate and cost-effective supply of electrical power to function effectively. We principally depend on power supplied by regional and local electricity transmission grids operated by the various state electricity providers in which our sites are located. In order to ensure that the power supply to our sites is constant and uninterrupted, we also rely on batteries and diesel generators, the latter of which requires diesel fuel. Our operating costs will increase if the price at which we purchase electrical power from the state electricity providers or fuel increases. While we believe that our current supply of electricity from third parties is sufficient to meet existing requirements, we cannot assure you that we will have an adequate or cost effective supply of electrical power at our sites or fuel for the generation of captive power, lack of which could disrupt our and our customers' businesses, adversely affecting business, cash flows and results of operations. Further, any increase in the cost of electrical power, to the extent that we are not able to pass this through to customers, would also adversely affect our profitability and cash flows.

Risks relating to financials

42. Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Restated Financial Information included in this Red Herring Prospectus have been prepared and presented in conformity with Ind AS, restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our Restated Financial Information to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial information, which are restated as per the SEBI ICDR Regulations included in this Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. If our Restated Financial Information were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our Restated Financial Information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should be limited accordingly.

43. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, financial condition and results of operations.

Our insurance policies may not provide adequate coverage in certain circumstances, such as the COVID-19 pandemic, material damage or business interruptions, third party liabilities and officers liability and public liability and are subject to certain deductibles, exclusions and limits on coverage. The following table sets forth details of our coverage of our insurance policies in the corresponding periods:

Particulars	As of/ For the Nine months ended December 31, 2023,		As of/ For Fiscal		
	2023	2022	2023	2022	2021
	(₹ million, except percentages)				
Insurance coverage	96,457	78,061	81,067	67,729	65,770
Insurance coverage, as a percentage of net book value of total assets*	181.30%	182.29%	179.07%	173.48%	165.41%

**Net book value of total assets means gross carrying value less accumulated depreciation (if any) for the period/ year ended as appearing the Restated Financial Information.*

Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. While we have not had significant instances of loss being denied by insurance policies in the three preceding Fiscals and the nine months ended December 31, 2023, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have obtained sufficient insurance to cover all potential losses. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial condition and cash flows could be adversely affected. For information in relation to our insurance coverage, see "*Our Business – Insurance*" on page 205.

44. We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the telecommunications industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of players in the Indian telecommunications industry, who provide such non-GAAP financial measures and other industry related statistical and operational information. Such non-GAAP financial measures may be different from financial measures and statistical information disclosed or followed by other telecommunication companies. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited Restated Financial Information as reported under applicable accounting standards disclosed elsewhere in this Red Herring Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*" on page 356.

45. We may enter into related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.

Particularly owing to our business integration with our Promoter, we regularly enter into related party transactions in the ordinary course of business. We have entered into related party transactions in the three preceding Fiscals and the nine months ended December 31, 2023, each of which have been undertaken on an arms' length basis. For further information, see "- *9. Any change in our relationship with our Promoter, Airtel, may adversely affect our reputation, business, operations, financial condition and results of operations*" and "*History and Certain Corporate Matters – Other Agreements*" and "*Restated Financial Information – Note 31. Related Party Disclosures*" on pages 40, 220 and 314.

We may also, from time to time, enter into related party transactions in the future. To the extent we may extend loans or advances to related parties, or provide guarantees or security, we may face risks in relation to default by such related parties or potential non-recovery. All related party transactions that we may enter into post-listing, will continue to be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations.

Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and may have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

46. A failure of our internal controls over financial reporting may have an adverse effect on our business, results of operations, cash flows and financial condition.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes, including with respect to record keeping and transaction authorization. In recent years, we have focused on improving the internal controls of the businesses. Because of our inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial information would be prevented or detected. While there have been no such instances in the three preceding Fiscals and the nine months ended December 31, 2023, any failure to maintain an effective system of internal control over financial reporting could limit our ability to report financial results accurately and in a timely manner, or to detect and prevent fraud, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

47. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on several internal / external factors, including, but not limited to, the operating cash flow of our Company, profits earned during the year, earnings per share, working capital requirements, capital expenditure requirements, regulatory and growth requirement of capital adequacy, business expansion or growth, acquisition of brands and businesses, past dividend or pay-out ratios / trends, economic environment, capital markets, statutory provisions or guidelines, industry outlook or any other factor as deemed fit by our Board. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. Any dividends to be declared and paid in the future are required to be approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we have entered into and may enter into. We cannot assure you that we will be able to pay dividends in the future. For further information, see "*Dividend Policy*" on page 253.

48. We have availed short term unsecured working capital loans from scheduled banks, which can be recalled by lenders at any time.

We have availed short term unsecured working capital loans from scheduled banks, amounting to ₹ 195 million as of December 31, 2023, which may be recalled by our lenders on demand. In such cases, the lenders may require repayment of the facility at any point in time during the loan tenure. In case any such unsecured loans are recalled on demand by our lenders and we are unable to repay the outstanding amounts under the facilities at that point, it would constitute an event of default under the respective loan agreements. For further information, see "*Restated Financial Information"* and "*Financial Indebtedness*" on pages 254 and 379, respectively.

49. We are unable to trace some of our historical corporate records including minutes of the Shareholders meetings and corresponding form filings. We cannot assure you that no legal proceedings or regulatory

actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation.

We are unable to trace certain corporate records, including statutory filings made with the RoC, applications filed with the RBI, and share transfer forms in relation to the transfer made by our Promoter. These include, *inter alia*:

Sr. No.	Particulars of document
1.	Form 2 (Return of allotment) and shareholders' resolution for allotment of 99,390 equity shares of ₹ 10 each of the Company made on March 13, 1996
2.	Form 2 (Return of allotment) and shareholders' resolution for allotment of 106,899,980 equity shares of ₹ 10 each of the Company made on May 26, 1998
3.	Form 2 (Return of allotment) for allotment of 11,500,000 equity shares of ₹ 10 each of the Company made on May 24, 1999
4.	Form 2 (Return of allotment) for allotment of 9,000,000 equity shares of ₹ 10 each of the Company made on December 7, 1999
5.	Share transfer form in relation to transfer of 53,760,000 equity shares of ₹ 10 each of the Company from Shyam Cellular Infrastructure Projects Limited to Bharti Airtel Limited on May 18, 2004
6.	Share transfer form in relation to transfer of 17,919,980 equity shares of ₹ 10 each of the Company from Shyam Telecom Limited to Bharti Airtel Limited on May 18, 2004
7.	Share transfer form in relation to transfer of 49,280,000 equity shares of ₹ 10 each of the Company from Shyam Telelink Limited to Bharti Airtel Limited on May 18, 2004
8.	Share transfer form in relation to transfer of 20 equity shares of ₹ 10 each of the Company from Rajiv Mehrotra to Bharti Airtel Limited on May 18, 2004
9.	Form 18 (Notice of Situation or change of situation of registered office) for shifting of registered office of our Company from C-138, Naraina Industrial Area, Phase-1, New Delhi 110028, India to Qutab Ambience, H-5/12, Mehrauli Road, New Delhi 110030, India on May 26, 2004
10.	Share transfer form in relation to transfer of 1,792,000 equity shares of ₹ 10 each of the Company from Ali & Fouad M.T. Al Ghanim Trading & Cont. Co. W.L.L to Bharti Airtel Limited on December 13, 2004
11.	RBI filings in relation to transfer of 1,792,000 equity shares of ₹ 10 each of the Company from Ali & Fouad M.T. Al Ghanim Trading & Cont. Co. W.L.L to Bharti Airtel Limited on December 13, 2004
12.	Share transfer form in relation to transfer of 2,780,306 equity shares of ₹ 10 each of the Company from Mobile Telecommunications Co., Kuwait to Bharti Airtel Limited on March 18, 2009
13.	RBI filings in relation to transfer of 2,780,306 equity shares of ₹ 10 each of the Company from Mobile Telecommunications Co., Kuwait to Bharti Airtel Limited on March 18, 2009

While certain information in relation to these allotments and share transfers has been disclosed in the section "*Capital Structure – Notes to Capital Structure – 1. Equity Share capital history of our Company*" beginning on page 90, in this Red Herring Prospectus, based on the board resolutions, and based on the details provided in the search report dated December 4, 2023 and December 9, 2023 prepared by M/s. Prakash Verma & Associates, independent practicing company secretary, and their certificate dated January 19, 2024. We may not be able to furnish any further information other than as already disclosed in "*Capital Structure*" beginning on page 90, or that the records mentioned above will be available in the future. We also cannot assure you that we will not be subject to any adverse action by any authority in relation to such untraceable records.

50. Any failure to comply with sanctions administered by the United States or other governments could adversely affect our business and reputation.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions. We derive a negligible portion of our revenues from roaming agreements with other telecom operators located in jurisdictions to which certain OFAC-administered and other sanctions apply. Although we endeavour to conduct our activities in compliance with applicable laws and regulations, we cannot guarantee full compliance. We cannot assure you that persons and/or entities with whom we may engage in future transactions will not become the subject of sanctions-related prohibitions or restrictions, or that sanctions will not be imposed on the persons with whom we currently engage or countries in which we currently operate or conduct business. Our failure to successfully comply with applicable sanctions may expose us to adverse legal and business consequences, including civil or criminal penalties, government investigations, and reputational harm.

External Risk Factors

<u>*Risks Relating to India*</u>

51. Political, economic or other factors that are beyond our control may have an adverse effect on our business

and results of operations.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally, including adverse geopolitical conditions. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. The following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- political instability, resulting from a change in government or economic and fiscal policies;
- instability in other countries and adverse changes in geopolitical situations;
- strikes, lock-outs, work stoppages or increased wage demands by employees, or vendors;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or war;
- epidemics or public health emergencies, natural calamities such as earthquakes, tsunamis, floods and drought, instability in the financial markets, and volatility in India's principal stock exchanges;
- a decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- high rates of inflation in India which would increase our costs without proportionately increasing our revenues;
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine;
- business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, financial condition and cash flows and the price of the Equity Shares.

52. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could adversely affect our business.

Natural disasters (such as cyclones, typhoons, flooding, storms, tsunamis, tornadoes, fires, explosions, and/or earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. If any sanction risk materializes, this could induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India and have an adverse effect on our business, cash flows, financial condition and results of operations.

53. Any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

54. Changing regulations in India, particularly regarding privacy and data security matters, could lead to new compliance requirements that are uncertain.

New laws or other regulations could require us to obtain additional approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements, which can lead to uncertainty in our operations and could adversely affect our business, prospects and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Similarly, changes in other laws may require additional compliances and/or result in us incurring additional expenditure.

As part of our operations, we are required to comply with the Information Technology Act, 2000 ("**Information Technology Act**") and the rules thereof, each as amended which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and failure to protect sensitive personal data. India has already implemented certain privacy laws, including the Information Technology (Reasonable security practices and procedures or information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information. Additionally, the Digital Personal Data Protection Act, 2023 ("**DPDP Act**") was notified in August 2023 and replaces the existing data protection provisions, as contained in Section 43A of the Information Technology Act. The DPDP Act seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act focuses on personal data protection for implementing organizational and technical measures in processing digital personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The DPDP Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the DPDP Act. The DPDP Act further provides that personal data may be processed only in accordance with the DPDP Act, and for a lawful purpose after obtaining the consent of the individual or for certain legitimate uses.

Further, on December 24, 2023, the Telecommunications Act, 2023 ("**Telecom Act**") received Presidential assent and was notified in the Official Gazette. As per its provisions, the Telecom Act may be brought into force fully or in a phased manner, *i.e.* different dates may be appointed for enactment of its varied provisions. The Telecom Act amends and consolidates laws relating to development, expansion and operation of telecommunication services and telecommunication networks and assignment of spectrum. The Telecom Act repeals the erstwhile Indian Telegraph Act, 1885 and erstwhile Indian Wireless Telegraphy Act, 1933, and amends the provisions of the Telecom Regulatory Authority of India Act, 1997. Part III of the Indian Telegraph Act, 1885 will continue to apply to laying of transmission lines under the section 164 of the Electricity Act, 2003. In terms of the Telecom Act, any person intending to provide telecommunication services; to establish operate, maintain or expand telecommunication network; or possess radio equipment; is required to obtain an authorisation from the Government of India subject to terms and conditions and fees and charges as prescribed thereunder. Further, the Telecom Act provides for a continued validity of a license, registration, permission by whatever name called, granted prior to the appointed day under the erstwhile Indian Telegraph Act, 1885 or the erstwhile Indian Wireless Telegraphy Act, 1933, in respect of provision of telecommunication services or network, subject to the conditions specified therein. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and financial condition.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses, adversely affect our reputation and restrict our ability to grow our businesses in the future.

55. We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002 ("**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to prevent such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition ("**AAEC**") is void and attracts substantial penalties. Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset-and turnover-based thresholds to be mandatorily notified to, and pre-approved by, the CCI. In addition, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia,* modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. We cannot assure you that we will not be involved in antitrust or competition related lawsuits in the future, which may cause us material losses and require us to incur significant expenses and significantly divert the time and attention of our management from operations.

56. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. These developments, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have an adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

57. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our services to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

58. Changes in the taxation system in India could adversely affect our business.

The Income Tax Act, 1961 ("**IT Act**") was amended to provide domestic companies an option to pay corporate income tax at the effective rate of approximately 25.17% (inclusive of applicable surcharge and health and education cess), as compared to effective rate of 34.94% (inclusive of applicable surcharge and health and education cess), provided such companies do not claim certain specified deductions or exemptions. Further, where a company has opted to pay the reduced corporate tax rate, the minimum alternate tax provisions would not be applicable. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and health and education cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the Government of India has amended the IT Act to abolish the DDT regime. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the Government of India has notified the Finance Act, 2023 ("**Finance Act**"), which has introduced various amendments to the IT Act. As such, there is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows.

59. Investors may not be able to enforce a judgment of a foreign court against us, our Directors and executive officers in India, except by way of a suit in India on such judgement.

Our Company is a company incorporated under the laws of India as a company limited by shares and a majority of our Directors are located in India. As of the date of this Red Herring Prospectus, all of our Directors, Key Managerial Personnel and senior management personnel are also located in India. As a result, you may be unable to effect service of process in jurisdictions outside India, upon our Company or enforce in Indian courts judgments obtained in courts of jurisdictions outside India against our Company, including judgments predicated upon the civil liability provisions of securities laws of jurisdictions outside India. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended (the "**Civil Code**"). The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the Government to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court will award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

Risks Relating to the Equity Shares and this Offer

60. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;

- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

61. Pursuant to listing of the Equity Shares, the Equity Shares may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges and SEBI, which may have an adverse effect on the market price of the Equity Shares or may in general cause disruptions in the development of an active market for, and trading and liquidity of the Equity Shares and could also adversely affect our reputation.

On and post the listing of the Equity Shares, the Equity Shares may be subject to ASM and GSM by the Stock Exchanges and SEBI. These measures have been introduced by SEBI in order to enhance market integrity, safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities. The criteria for listing any scrip trading on the Stock Exchanges under the ASM is based on an objective criteria as jointly decided by SEBI and the Stock Exchanges, which includes market-based dynamic parameters (such as high low variation, client concentration, close to close price variation, market capitalization, volume variation, delivery percentage, number of unique PANs and price to equity ratio). A scrip is typically subjected to GSM where there is an abnormal price rise that is not commensurate with the financial health and fundamentals of a company, which includes factors such as earnings, book value, fixed assets, net worth and price to equity ratio. In the event the Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, the Equity Shares may be subject to certain additional restrictions in relation to trading, such as limiting trading frequency (for example, trading either allowed once in a week or a month), higher margin requirements, requirement of settlement on a trade for trade basis without netting off, requirement of settlement on gross basis or freezing of the price on the upper side of trading, additional deposit amount for surveillance deposit, which shall be retained for an extended period and any other surveillance measure as deemed fit in the interest of maintaining the market integrity, any of which may have an adverse effect on the market price of the Equity Shares or may in general cause disruptions in the development of an active market for, and trading and liquidity of the Equity Shares and could also adversely affect our reputation.

62. Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Offer Price may not be indicative of the market price of the Equity Shares after the Offer.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 103, and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Managers*" page 423. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts, the activities of competitors, future sales of the Equity Shares by our Company or our shareholders, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

63. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

64. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. Investors may be subject to payment of long-term or short term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more or less than 12 months immediately preceding the date of transfer. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose a tax on capital gains arising from the sale of shares of an Indian company.

Any capital gains exceeding INR 1,00,000 realized on sale of listed equity shares on recognised stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 10% (plus applicable surcharge and cess). This beneficial rate is, *inter alia*, subject to payments of STT. Further, any gain realized on the sale of equity shares in an Indian Company held for more than 12 months, which are sold using any platform other than a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess).

Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise such gains will be taxed at applicable rates. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

The Government announced the union budget for Fiscal 2024 and the Finance Bill in the Lok Sabha on February 1, 2023. The Finance Bill has received assent from the President of India on March 30, 2023 and has been enacted as the Finance Act 2023. We cannot predict whether any amendments made pursuant to the Finance Bill would have an adverse effect on our business, financial condition, future cash flows and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

65. There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. Trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within such Working Days as prescribed by SEBI. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

66. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by significant shareholders, or the perception that such issuance or sales may occur, may adversely affect the trading price of the Equity Shares, which may lead to other consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. We cannot assure you that we will not issue Equity Shares in future, or that significant shareholders will not dispose of, or encumber the Equity Shares in future.

67. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.

The determination of the Price Band and Offer Price is based on various factors and assumptions, and will be determined by our Company and the Selling Shareholder, in consultation with the BRLMs. These will be based on numerous factors, including factors as described under "*Basis for the Offer Price*" on page 103 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further information, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" on page 423. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

68. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid amount) at any stage after submitting a bid, and Retail Individual Bidders are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Bidders can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing date, but not thereafter. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise at any stage after the submission of their Bids. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment.

We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.

69. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

70. A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of our Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

71. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

72. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

73. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.

A foreign corporation will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are "passive assets," which generally means that they produce passive income or are held for the production of passive income.

There can be no assurance that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and we cannot assure you that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company's income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer (1)(2)	Up to 75,000,000 Equity Shares, aggregating up to ₹ [●] million
The Offer comprises:	
Offer for Sale (2)	Up to 75,000,000 Equity Shares aggregating up to ₹ [●] million
The Offer consists of:	
A) QIB Portion (3) (4) (6)	Not less than [●] Equity Shares aggregating up to ₹ [●] million
of which:	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares
B) Non-Institutional Portion(4) (5) (6)	Not more than [●] Equity Shares aggregating up to ₹ [●] million
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 200,000 and up to ₹ 1,000,000	[●] Equity Shares
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1,000,000	[●] Equity Shares
C) Retail Portion (4) (6)	Not more than [●] Equity Shares aggregating up to ₹[●] million
Equity Shares outstanding prior to the Offer (as at the date of this Red Herring Prospectus) and after the Offer	500,000,000 Equity Shares
Use of proceeds of the Offer	Our Company will not receive any portion of the proceeds from the Offer. For further information, see "*Objects of the Offer*" on page 101.

1. *The Offer has been authorized by a resolution of our Board dated January 19, 2024 and by a special resolution of our Shareholders dated January 19, 2024.*

2. *The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholder confirms that its portion of the Offered Shares have been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Selling Shareholder confirms its compliance with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable, as on the date of this Red Herring Prospectus. The details of such authorisations are provided below:*

Name of the Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution authorising participation in the Offer for Sale	Date of shareholder resolution authorising participation in the Offer for Sale	Date of consent letter
Telecommunications Consultants India Limited	Up to [●]	Up to 75,000,000	August 29, 2023 and March 7, 2024	November 28, 2023	March 8, 2024

3. *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" and "Offer Structure" on pages 443 and 439.*

4. *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable law.*

5. *Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000 and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 1,000,000. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. Further, not more than 15% of the Offer shall be available for allocation to Non-Institutional Investors and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.*

6. *Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Non-Institutional Bidder and Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis.*

For details, including in relation to grounds for rejection of Bids, see "*Offer Procedure*" on page 443. For details of the terms of the Offer, see "*Terms of the Offer*" on page 433.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Information as of and for the for the nine months period ended December 31, 2023 and December 31, 2022 and for Financial Years 2023, 2022 and 2021. The summary financial information presented below should be read in conjunction with '*Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 254 and 340, respectively.

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RESTATED STATEMENT OF ASSETS AND LIABILITIES

(All amounts are in millions of Indian Rupee)

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Assets					
Non-current assets					
Property, plant and equipment	42,632	39,911	40,708	38,400	39,054
Capital work-in-progress	10,571	2,911	4,563	641	707
Right-of-use assets	28,066	24,367	26,390	16,324	14,761
Intangible assets	41,982	45,516	44,643	47,612	49,222
Intangible assets under development	15,490	14,567	14,797	-	-
Financial assets					
-Investments	0	0	0	0	0
-Other financial assets	4,794	5,257	5,290	4,463	4,324
Income tax assets (net)	2,038	3,187	3,249	3,052	2,946
Deferred tax assets (net)	8,089	8,312	7,629	9,474	11,166
Other non-current assets	5,106	6,701	6,284	6,554	7,660
	158,768	150,729	**153,553**	**126,520**	**129,840**
Current assets					
Financial assets					
-Investments	18,358	10,311	10,460	490	-
-Trade receivables	2,316	1,474	1,489	20,958	1,429
-Cash and cash equivalents	247	337	555	885	277
-Other bank balances	342	329	332	324	315
-Other financial assets	9,743	8,961	9,119	8,787	7,988
Other current assets	6,256	7,198	7,021	8,779	10,186
	37,262	**28,610**	**28,976**	**40,223**	**20,195**
Total assets	**196,030**	**179,339**	**182,529**	**166,743**	**150,035**
Equity and liabilities					
Equity					
Equity share capital	2,500	2,500	2,500	2,500	2,500
Other equity	41,661	37,575	39,595	34,105	17,360
	44,161	**40,075**	**42,095**	**36,605**	**19,860**

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Non-current liabilities					
Financial liabilities					
-Borrowings	26,923	60,649	47,299	48,078	36,926
-Lease liabilities	27,635	23,324	25,451	15,303	13,119
-Other financial liabilities	787	792	0	3	3
Deferred revenue	6,348	5,867	6,029	4,746	5,030
Provisions	224	233	234	218	210
	61,917	**90,865**	**79,013**	**68,348**	**55,288**
Current liabilities					
Financial liabilities					
-Borrowings	35,607	2,849	15,394	23,905	22,826
-Lease liabilities	4,157	3,790	3,892	3,398	4,864
-Trade payables					
-Total outstanding dues of micro enterprises and small enterprises	56	46	26	20	31
-Total outstanding dues of creditors other than micro enterprises and small enterprises	16,291	15,965	14,380	14,932	22,209
-Other financial liabilities	10,012	9,113	10,261	3,760	10,034
Deferred revenue	4,955	4,509	4,749	4,166	3,580
Provisions	11,746	10,822	11,032	10,256	9,583
Current tax liabilities (net)	6,208	624	624	624	692
Other current liabilities	920	681	1,063	729	1,068
	89,952	**48,399**	**61,421**	**61,790**	**74,887**
Total liabilities	**151,869**	**139,264**	**140,434**	**130,138**	**130,175**
Total equity and liabilities	**196,030**	**179,339**	**182,529**	**166,743**	**150,035**

RESTATED STATEMENT OF PROFIT AND LOSS

(All amounts are in millions of Indian Rupee; except per share data)

	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Income					
Revenue from operations	52,208	48,465	65,790	54,052	46,023
Other income	2,000	959	1,402	888	1,020
	54,208	**49,424**	**67,192**	**54,940**	**47,043**
Expenses					
Network operating expenses	12,285	11,792	15,863	14,862	14,279
Access charges	5,394	7,207	9,833	11,331	13,454
License fee/Spectrum charges	4,792	4,822	6,329	5,718	4,379
Employee benefits expense	794	690	903	764	763
Sales and marketing expenses	2,795	2,268	3,067	1,993	1,410
Other expenses	1,314	1,529	1,938	1,244	1,214
	27,374	**28,308**	**37,933**	**35,912**	**35,499**
Restated profit before depreciation, amortization, finance costs, tax and exceptional items	**26,834**	**21,116**	**29,259**	**19,028**	**11,544**
Depreciation and amortization expenses	12,794	11,584	15,533	14,410	12,852
Finance costs	4,787	4,895	6,388	5,718	5,166
Re-stated Profit/(Loss) before exception items and tax	**9,253**	**4,637**	**7,338**	**(1,100)**	**(6,474)**
Exceptional items (net)	3,030	-	-	(19,511)	3,417
Re-stated Profit/(Loss) before tax	**6,223**	**4,637**	**7,338**	**18,411**	**(9,891)**
Tax expense					
Current tax	3,864	-	-	(27)	-
Deferred tax	(459)	1,164	1,846	1,692	448
	3,405	**1,164**	**1,846**	**1,665**	**448**
Re-stated Profit/(Loss) for the period	**2,818**	**3,473**	**5,492**	**16,746**	**(10,339)**

	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Other comprehensive income:					
Items not to be reclassified to profit or loss:					
Re-measurement loss on defined benefit plans	(3)	(4)	(3)	(1)	(1)
Tax credit	1	1	1	0	0
Other comprehensive loss for the period	**(2)**	**(3)**	**(2)**	**(1)**	**(1)**
Total comprehensive income / (loss) for the period	**2,816**	**3,470**	**5,490**	**16,745**	**(10,340)**
Earnings/(Loss) per share (Face value: Rs. 5 each)					
Basic and diluted (loss) / earning per share^	5.64	6.95	10.98	33.49	(20.68)

^Re-stated Earnings/(Loss) per share are not annualized for the nine months ended December 31, 2023 and December 31, 2022.

RESTATED STATEMENT OF CHANGES IN EQUITY

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Equity share capital		Other equity – Reserves and surplus							
	No. of shares (in '000)	**Amount**	**Securities premium**	**Retained earnings**	**General reserve**	**Capital reserve**	**Capital redemption reserve**	**Debenture redemption reserve**	**Total**	**Total equity**
As of April 1, 2020	**250,000**	**2,500**	**1,040**	**24,887**	**900**	**873**	**0**	**-**	**27,700**	**30,200**
Loss for the period	-	-	-	(10,339)	-	-	-	-	(10,339)	(10,339)
Other comprehensive loss (net of tax)	-	-	-	(1)	-	-	-	-	(1)	(1)
Total comprehensive income	**-**	**-**	**-**	**(10,340)**	**-**	**-**	**-**	**-**	**(10,340)**	**(10,340)**
Redemption of preference shares	-	-	-	(0)	-	-	0	-	-	-
As of March 31, 2021	**250,000**	**2,500**	**1,040**	**14,547**	**900**	**873**	**0**	**-**	**17,360**	**19,860**
Profit for the period	-	-	-	16,746	-	-	-	-	16,746	16,746
Other comprehensive loss (net of tax)	-	-	-	(1)	-	-	-	-	(1)	(1)
Total comprehensive income	**-**	**-**	**-**	**16,745**	**-**	**-**	**-**	**-**	**16,745**	**16,745**
As of March 31, 2022	**250,000**	**2,500**	**1,040**	**31,292**	**900**	**873**	**0**	**-**	**34,105**	**36,605**
Profit for the period	-	-	-	3,473	-	-	-	-	3,473	3,473
Other comprehensive loss (net of tax)	-	-	-	(3)	-	-	-	-	(3)	(3)
Total comprehensive income	**-**	**-**	**-**	**3,470**	**-**	**-**	**-**	**-**	**3,470**	**3,470**
As of December 31, 2022	**250,000**	**2,500**	**1,040**	**34,762**	**900**	**873**	**0**	**-**	**37,575**	**40,075**
Profit for the period	-	-	-	2,019	-	-	-	-	2,019	2,019
Other comprehensive loss (net of tax)	-	-	-	1	-	-	-	-	1	1
Total comprehensive income	**-**	**-**	**-**	**2,020**	**-**	**-**	**-**	**-**	**2,020**	**2,020**
Debenture redemption reserve	-	-	-	(1,500)	-	-		1,500	-	-

	Equity share capital		Other equity – Reserves and surplus							
	No. of shares (in '000)	**Amount**	**Securities premium**	**Retained earnings**	**General reserve**	**Capital reserve**	**Capital redemption reserve**	**Debenture redemption reserve**	**Total**	**Total equity**
As of March 31, 2023	**250,000**	**2,500**	**1,040**	**35,282**	**900**	**873**	**0**	**1,500**	**39,595**	**42,095**
Profit for the period	-	-	-	2,818	-	-	-	-	2,818	2,818
Other comprehensive loss (net of tax)	-	-	-	(2)	-	-	-	-	(2)	(2)
Total comprehensive income	**-**	**-**	**-**	**2,816**	**-**	**-**	**-**	**-**	**2,816**	**2,816**
Debenture redemption reserve	-	-	-	(2,000)	-	-	-	2,000	-	-
Dividend to shareholders	-	-	-	(750)	-	-	-	-	(750)	(750)
Impact of split of shares	250,000	-	-	-	-	-	-	-	-	-
As of December 31, 2023	**500,000**	**2,500**	**1,040**	**35,348**	**900**	**873**	**0**	**3,500**	**41,661**	**44,161**

RESTATED STATEMENT OF CASH FLOWS

(All amounts are in millions of Indian Rupee)

	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Cash flows from operating activities					
Restated Profit/(Loss) before tax	**6,223**	**4,637**	**7,338**	**18,411**	**(9,891)**
Adjustments for:					
Depreciation and amortisation expenses	12,794	11,584	15,533	14,410	12,852
Finance costs	4,786	4,884	6,374	5,713	5,098
Exceptional items (net)	3,030	-	-	-	3,417
Interest income	(697)	(75)	**(85)**	**(24)**	**(38)**
Net gain on Fair value through profit and loss (FVTPL) Investments	(372)	(131)	**(290)**	**(19)**	**(133)**
Provision for doubtful debts / bad debts written off	77	370	397	261	194
Other non-cash items (net)	19	31	34	**(36)**	16
Operating cash flow before changes in assets and liabilities	**25,860**	**21,300**	**29,301**	**38,716**	**11,515**
Changes in assets and liabilities					
Trade receivables	(904)	19,115	19,075	**(19,791)**	663
Trade payables	1,806	928	**(769)**	**(7,727)**	1,236
Provisions	488	445	652	659	**(872)**
Other financial and non-financial liabilities	375	1,319	2,056	89	3,754
Other financial and non-financial assets	1,723	559	966	782	**(789)**
Net cash generated from operations before tax	**29,348**	**43,666**	**51,281**	**12,728**	**15,507**
Income tax paid – (net)	(45)	(136)	**(197)**	**(148)**	(335)
Net cash generated from operating activities (a)	**29,303**	**43,530**	**51,084**	**12,580**	**15,172**
Cash flows from investing activities					
Purchase of property, plant and equipment and capital-work-in-progress	(15,674)	(6,121)	**(9,448)**	**(13,487)**	**(14,569)**
Purchase of intangible assets	-	-	-	-	**(9)**

	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Proceeds from sale of property, plant and equipment	99	48	57	149	46
Purchase of current investments (net)	(7,526)	(9,690)	(9,680)	(471)	6,485
Payment towards Spectrum (including deferred payment liability) *	(352)	(1,321)	(1,321)	(41)	(828)
Interest received	697	75	83	25	50
Net cash used in investing activities (b)	**(22,756)**	**(17,009)**	**(20,309)**	**(13,825)**	**(8,825)**
Cash flows from financing activities					
Proceeds from long term borrowings	-	-	-	65,185	85,335
Repayment of long term borrowings	-	(22,500)	(24,400)	(55,968)	(64,703)
Proceeds from / (Repayment of) short-term borrowings (net)	195	(28)	(28)	(1,102)	(20,795)
Interest and other finance charges paid#	(4,041)	(2,353)	(3,855)	(2,823)	(3,409)
Payment of lease liabilities	(2,228)	(2,166)	(2,831)	(3,461)	(2,470)
Dividend paid	(750)	-	-	-	-
Net cash used in financing activities I	**(6,824)**	**(27,047)**	**(31,114)**	**1,831**	**(6,042)**
Net (decrease) / increase in cash and cash equivalents during the period (a+b+c)	**(277)**	**(526)**	**(339)**	**586**	**305**
Add : Cash and cash equivalents as at the beginning of the period	524	863	863	277	(28)
Cash and cash equivalents as at the end of the period	**247**	**337**	**524**	**863**	**277**

**Cash flows towards spectrum acquisitions are based on timing of payouts to Department of Telecommunications ('DoT') (viz upfront/deferred-refer note 4(ii)).*
#Includes interest towards payment of deferred liabilities pertaining to spectrum acquired in auction of FY 2022-23.
The above Restated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS 7.
"Statement of Cash Flows".

GENERAL INFORMATION

Our Company was originally incorporated under the Companies Act, 1956 as 'Hexacom India Limited', and was issued a certificate of incorporation on April 20, 1995 and subsequently, a certificate for commencement of business by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi on April 26, 1995. Subsequently, the name of our Company changed to 'Bharti Hexacom Limited', pursuant to a special resolution passed by our shareholders at its EGM held on September 10, 2004 and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi on December 2, 2004.

The Registered Office and Corporate Office of our Company is located at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase-II, New Delhi, 110070, India.

Registered Office and Corporate Office

The details of our Registered Office and Corporate Office are as follows:

Bharti Hexacom Limited
Bharti Crescent
1, Nelson Mandela Road
Vasant Kunj, Phase-II
New Delhi, 110 070, India

For details of change in our Registered Office, see "*History and Certain Corporate Matters - Changes in our Registered Office"* on page 216.

Corporate identity number and registration number

Corporate Identity Number: U74899DL1995PLC067527

Registration Number: 067527

Address of the RoC

Registrar of Companies, Delhi and Haryana at New Delhi
4th Floor, IFCI Tower
61, Nehru Place
New Delhi, 110 019, India

Our Board

Our Board comprises the following Directors as on the date of filing of this Red Herring Prospectus:

Name	Designation	DIN	Address
Jagdish Saksena Deepak	Chairperson and Non-Executive Director	02194470	Flat No. 2102, ATS One Hamlet, Sector 104, Gautam Buddha Nagar – 201 304, Uttar Pradesh, India
Devendra Khanna#	Non-Executive Director	01996768	S 333, First Floor, Panchsheel Park, Malviya Nagar, South Delhi – 110 017, Delhi, India
Soumen Ray#	Non-Executive Director	09484511	A3301, Oberoi Springs, Andheri Link Road, Andheri West, Mumbai – 400 053, Maharashtra, India
Sanjeev Kumar*	Non-Executive Director	07566882	C-1/65, Zakir Husain Marg, Bapa Nagar, Delhi High Court, Central Delhi – 110 003, Delhi, India
Surajit Mandol*	Non-Executive Director	10098016	G-1365, 2nd Floor, Chitranjan Park, South Delhi – 110 019, Delhi, India
Ashok Tyagi	Independent Director	00784563	E 130, First Floor, Greater Kailash Part-I, South Delhi – 110 048, Delhi, India
Arvind Kohli	Independent Director	00001920	H. No. 199, Sector 7, Mahendragarh, Gurgaon –122 001, Haryana, India
Arun Gupta	Independent Director	00002157	A-57, Sector 30, Noida, Gautam Buddha Nagar – 201 301, Uttar Pradesh India

Name	Designation	DIN	Address
Nalina Suresh	Independent Director	10429755	1601, Tower 2, The Palms, South City 1, Gurgaon – 122 001, Haryana, India
Kapal Kumar Vohra	Independent Director	07384162	House no. 26A, New Lajpat Nagar, Pakhowal Road, Ludhiana – 141 002, Punjab, India

 # Nominee of Airtel.
** Nominee of Telecommunications Consultants India Limited.*

For further details of our Board, see "*Our Management – Board of Directors*" on page 223.

Company Secretary and Compliance Officer

Richa Gupta Rohatgi
Bharti Crescent
1, Nelson Mandela Road
Vasant Kunj, Phase-II
New Delhi, 110070, India
Telephone: +91 11 4666 6100
E-mail: bhartihexacom@bharti.in

Investor Grievances

Investors may contact the Company Secretary or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Offer related grievances, other than those of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form, and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgement Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

SBI Capital Markets Limited
Unit No. 1501, 15th Floor, A& B Wing
Parinee Crescenzo Building
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Telephone: +91 22 4006 9807
E-mail: bhl.ipo@sbicaps.com
Investor Grievance ID: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact person: Vaibhav Shah / Sylvia Mendonca
SEBI Registration No.: INM000003531

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India
Telephone: + 91 22 4325 2183
E-mail: bhartihexacom.ipo@axiscap.in
Investor Grievance ID: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact person: Pratik Pednekar
SEBI Registration No.: INM000012029

BOB Capital Markets Limited
1704, B Wing, 17th Floor

ICICI Securities Limited
ICICI Venture House

Parinee Crescenzo, Plot No.–C - 38/39
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Telephone: +91 22 6138 9353
E-mail: bhl.ipo@bobcaps.in
Investor Grievance ID: investorgrievance@bobcaps.in
Website: www.bobcaps.in
Contact person: Nivedika Chavan
SEBI Registration No.: INM000009926

Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India
Telephone: +91 22 6807 7100
E-mail: bhartihexacomipo@icicisecurities.com
Investor Grievance ID:customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact person: Gaurav Mittal / Ashik Joisar
SEBI Registration No.: INM000011179

IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4646 4728
E-mail: ig.ib@iiflcap.com
Investor Grievance ID: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact person: Yogesh Malpani / Pawan Kumar Jain
SEBI Registration No.: INM000010940

Legal Counsel to the Company as to Indian law

AZB & Partners
AZB House
Plot No. A8, Sector-4
Noida 201 301
Uttar Pradesh, India
Telephone: +91 120 417 9999

AZB & Partners
AZB House
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Maharashtra, India
Telephone: +91 022 6639 6880

International Legal Counsel to the Company

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049321
Telephone: +65 6538 0900

Statutory Auditor

Deloitte Haskins & Sells LLP, Chartered Accountants
Tower B, 7th Floor, Building 10
DLF Cyber City Complex, DLF City Phase-II
Gurugram 122 002
Haryana, India
Tel: +91 124 679 2000
E-mail: nilahoti@deloitte.com
Firm Registration Number: 117366W/W 100018
Peer Review Certificate Number: 013179

Changes in the auditors

There has been no change in the statutory auditor of our Company during the three years immediately preceding the date of this Red Herring Prospectus.

Registrar to the Offer

KFin Technologies Limited
Selenium Tower B, Plot No. 31 and 32
Financial District, Nanakramguda
Serilingampally, Hyderabad 500 032
Telangana, India
Telephone: +91 40 6716 2222 / 18003094001
E-mail: bhl.ipo@kfintech.com
Investor Grievance ID: einward.ris@kfintech.com
Website: www.kfintech.com
Contact person: M. Murali Krishna
SEBI Registration No.: INR000000221

Syndicate Members

SBICAP Securities Limited
Marathon Futurex, B Wing
Unit no 1201, 12th Floor
N M Joshi Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6931 6204
E-mail: archana.dedhia@sbicapsec.com
Website: www.sbisecurities.in
Contact Person: Archana Dedhia
SEBI Registration Number: INZ000200032

Investec Capital Services (India) Private Limited
1103-04, 11th Floor, B Wing
Parinee Crescenzo, Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Tel: +91 22 6849 7400
E-mail: kunal.naik@investec.co.in
Website: www.investec.com/india.html
Contact Person: Kunal Naik
SEBI Registration Number: INZ000007138

Bankers to the Offer

Public Offer Account Bank

Kotak Mahindra Bank Limited
27 BKC, C 27, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051
Maharashtra, India
Tel: +91 022 6605 6588
E-mail: cmsipo@kotak.com
Website: www.kotak.com
Contact Person: Siddhesh Shirodkar
SEBI Registration Number: INBI00000927

Escrow Collection Bank and Refund Bank

Axis Bank Limited
Axis House, 6th Floor
C-2, Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 022 2425 3672
E-mail: vishal.lade@axisbank.com
Website: www.axisbank.com
Contact Person: Vishal M. Lade
SEBI Registration Number: INBI00000017

Sponsor Banks

Axis Bank Limited

Kotak Mahindra Bank Limited

Axis House, 6th Floor
C-2, Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 022 2425 3672
E-mail: vishal.lade@axisbank.com
Website: www.axisbank.com
Contact Person: Vishal M. Lade
SEBI Registration Number: INBI00000017

27 BKC, C 27, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051
Maharashtra, India
Tel: +91 022 6605 6588
E-mail: cmsipo@kotak.com
Website: www.kotak.com
Contact Person: Siddhesh Shirodkar
SEBI Registration Number: INBI00000927

Bankers to our Company

HDFC Bank Limited
Bankhouse – Gurgaon
Vatika Atriu, Block-A
Sector-53, Gurgaon 122002
Haryana, India
Telephone: +91 98118 13000
Contact person: Ankur Gupta
E-mail: ankur.gupta25@hdfcbank.com
Website: www.hdfcbank.com

Citibank N.A.
9th Floor, DLF Square, Jacaranda Marg
M Block, DLF Phase 2
Gurgaon 122002
Haryana, India
Telephone: +91 012 4418 6936
Contact person: Rahul Dhanda
E-mail: rahul.dhanda@citi.com
Website: www.online.citibank.co.in

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidders), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Eligible SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the UPI Bidders may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided in the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, for SCSBs, and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, *i.e.*, through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/ and www.nseindia.com, as updated from time to time.

Registrar and Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

i. Our Company has received written consents dated March 22, 2024 from Deloitte Haskins & Sells LLP, Chartered Accountants, to include their name as required under section 26 of the Companies Act, read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated March 15, 2024 on our Restated Financial Information; and (ii) their report dated March 22, 2024 on the Statement of Special Tax Benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

ii. Our Company has received written consent dated January 19, 2024 from J. C. Bhalla & Co, Chartered Accountants, to include their name as an independent chartered accountant and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

iii. Our Company has received written consent dated January 19, 2024 from M/s. Prakash Verma & Associates, to include their name as the practicing company secretary and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

iv. Our Company has received written consent dated March 22, 2024 from Inttl Advocare, Intellectual Property Consultants & Attorneys, to include their name as intellectual property consultants and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Monitoring Agency

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

Appraising Entity

As the Offer is an offer for sale of Equity Shares by the Selling Shareholder, our Company will not receive any proceeds from the Offer. Accordingly, no appraising agency has been appointed.

Statement of Responsibility of the BRLMs

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Co-ordinator
1	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	BRLMs	SBICAPS
2	Drafting and approval of all statutory advertisement.	BRLMs	SBICAPS
3	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 2 above including corporate advertising, brochure, application form, abridged prospectus, etc. and filing of media compliance report.	BRLMs	IIFL
4	Appointment of Registrar to the Offer, Advertising Agency and Printer to the Offer including co-ordination for their agreements.	BRLMs	SBICAPS
5	Appointment of all other intermediaries including co-ordination for all other agreements and co-ordination for opening of escrow account, public offer account, refund account and share escrow account.	BRLMs	IIFL
6	Preparation of road show presentation and frequently asked questions.	BRLMs	IIFL
7	International institutional marketing of the Offer, which will cover, inter alia: • Finalizing the list and division of international investors for one-to-one meetings. • Finalizing international road show and investor meeting schedules.	BRLMs	I-Sec
8	Domestic institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy. • Finalizing the list and division of domestic investors for one-to-one meetings. • Finalizing domestic road show and investor meeting schedules.	BRLMs	SBICAPS
9	Retail marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies, preparation of publicity budget • Finalising media, marketing and public relations strategy; • Finalising centres for holding conferences for brokers etc.; • Finalising collection centers; • Arranging for selection of underwriters and underwriting agreement; and • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material.	BRLMs	Axis
10	Non-Institutional marketing of the Offer, which will cover, inter alia: • Finalising media, marketing and public relations strategy; and • Finalising centres for holding conferences for brokers, etc.	BRLMs	Axis
11	Managing anchor book related activities and submission of letters to regulators post completion of anchor allocation, book building software, bidding terminals, payment of 1% security deposit to the designated stock exchange.	BRLMs	Axis
12	Managing the book and finalization of pricing in consultation with the Company (at the DRHP filing and the offer launch stage).	BRLMs	I-Sec
13	Post bidding activities including Mock trading, management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps	BRLMs	BOBCAPS

S. No.	Activity	Responsibility	Co-ordinator
	including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Offeror about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholder. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of final post Offer report to SEBI.		

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, no debenture trustee has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of the Offer Documents

A copy of the Draft Red Herring Prospectus was filed electronically through the SEBI Intermediary Portal at siportal.sebi.gov.in, in accordance with the SEBI Master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023, and was emailed to SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure –Division of Issues and Listing –CFD" and as specified in Regulation 25(8) of the SEBI ICDR Regulations.

A copy of this Red Herring Prospectus, along with the material documents and contracts required to be filed, has been filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC, and through the electronic portal at www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band. The Price Band and minimum Bid lot will be decided by our Company, in consultation with BRLMs, and will be advertised in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta (Hindi also being the regional language of Delhi where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see "*Offer Procedure*" on page 443.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the ASBA Bidder may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) in case of UPI Bidders, through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and NIBs are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs, NIBs and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and the Bidding Process are subject to change from time to time and Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to (i) filing the Prospectus with ROC; (ii) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment within the same day or next day of allotment for listing approval of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For further details on the method and procedure for Bidding, see "*Offer Structure*" and "*Offer Procedure*" on pages 439 and 443, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of Offer Price, finalization of the Basis of Allotment and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board, based solely on representations made by the Underwriters, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Red Herring Prospectus, is set forth below.

(in ₹, except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A.	**AUTHORISED SHARE CAPITAL**(1)		
	500,000,000 Equity Shares of face value of ₹5 each	2,500,000,000	
	520 Redeemable, Non-Participating, Non-Cumulative Preference Shares of face value of ₹100 each	52,000	
	Total	**2,500,052,000**	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL (BEFORE THE OFFER)**		
	500,000,000 Equity Shares of face value of ₹5 each	2,500,000,000	
C.	**PRESENT OFFER**		
	Offer of up to 75,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million(2)(3)	375,000,000	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER***		
	500,000,000 Equity Shares of face value of ₹5 each	2,500,000,000	
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		1,040,000,000
	After the Offer		[●]

* *To be included upon finalisation of the Offer Price.*

(1) *For details in relation to the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters - Amendments to our Memorandum of Association in the last ten years" on page 216.*

(2) *The Offer has been approved by our Board pursuant to the resolution passed at its meeting held on January 19, 2024 and by our Shareholders pursuant to a special resolution passed at their meeting held on January 19, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to its resolution dated March 15, 2024.*

(3) *The Selling Shareholder has specifically confirmed that the Offered Shares have been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Selling Shareholder confirms its compliance with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable, as on the date of this Red Herring Prospectus. Our Company had filed an exemption application dated November 30, 2023, for relaxation of the strict enforcement of Regulation 8A(a) of the SEBI ICDR Regulations, under Regulation 300(1) of the SEBI ICDR Regulations, to enable TCIL to sell up to its entire holding of 30% of the pre-issue share capital of the Company through the Offer. The application has been withdrawn by way of a withdrawal letter dated March 7, 2024 submitted by our Company to SEBI. For details on the authorization and consent of the Selling Shareholder in relation to the Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 70 and 414, respectively.*

Notes to the Capital Structure

1. Equity Share capital history of our Company

The history of the Equity Share capital of our Company is set forth in the table below:

Date of allotment of equity shares	Number of equity shares allotted	Names of allottees	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital
April 20, 1995	70	10 equity shares each were allotted to Rajiv Mehrotra, Shakti Sarup Puri, Ajay Khanna, Alok Tandon, Kailash Narain Mehrotra, Shyama Mehrotra and Ajay Khanna (on behalf of Shyam Telecom Limited)	10	10	Cash	Initial subscription to the Memorandum of Association^	70	700
March 13, 1996*	99,930	29,930 equity shares were allotted to Shyam Telecom Limited, 30,000 equity shares were allotted to Shyam Antenna Electronics Limited, 10,000 equity shares were allotted to Shyam Computer Systems Private Limited, 10,000 equity shares were allotted to Mobile Telecommunications Company, 10,000 equity shares were allotted to Ali & Fouad M.T. Al Ghanim Trading & Cont. Co. Kuwait and 10,000 equity shares were allotted to PCM Partnership	10	10	Cash	Further Issue	100,000	1,000,000
April 6, 1996*	20	20 equity shares were allotted to Raman Sharma	10	10	Cash	Further Issue	100,020	1,000,200
May 26, 1998	106,899,980	32,100,000 equity shares were allotted to Telecommunications Consultants India Limited, 10,690,000 equity shares were allotted to Mobile Wireless Co. (Mauritius), 10,690,000 equity shares were allotted to Telesystem (Mauritius) Pvt. Ltd., 10,690,000 equity shares were allotted to PCM (Mauritius) Pvt. Ltd., 10,659,980 equity shares were allotted to Shyam Telecom Limited and 32,070,000 equity shares were allotted to Shyam Cellular Infrastructure Projects Limited	10	10	Cash	Further Issue	107,000,000	1,070,000,000
May 24, 1999*	11,500,000	1,150,000 equity shares were allotted to Mobile Wireless Co. (Mauritius), 1,150,000 equity shares were allotted to Telesystem (Mauritius) Pvt. Ltd., 1,150,000 equity shares were allotted to PCM (Mauritius) Pvt. Ltd., 1,150,000 equity shares were allotted to Shyam Telecom Ltd., 3,450,000 equity shares were allotted to Shyam Cellular Infrastructure Projects Limited and 3,450,000 equity shares were allotted to Telecommunications Consultants India Limited	10	10	Cash	Rights Issue	118,500,000	1,185,000,000
December 7, 1999*	9,000,000	900,000 equity shares each were allotted to Mobile Wireless Co. (Mauritius), Telesystem (Mauritius) Pvt. Ltd., PCM (Mauritius) Pvt. Ltd. and Shyam Telecom Ltd., and 2,700,000 equity shares each were allotted to Shyam Cellular Infrastructure Projects Ltd and Telecommunications Consultants India Limited	10	10	Cash	Rights Issue	127,500,000	1,275,000,000
November 23, 2000	51,700,000	5,170,000 equity shares each were allotted to Mobile Wireless Co. (Mauritius), Telesystem (Mauritius) Pvt. Ltd., PCM (Mauritius) Pvt. Ltd. and Shyam Telecom Ltd., and 15,510,000 equity shares each were allotted to Shyam Cellular Infrastructure Projects Ltd and Telecommunications Consultants India Limited	10	10	Cash	Rights Issue	179,200,000	1,792,000,000
September 14, 2006	62,500,000	43,750,000 equity shares were allotted to Bharti Airtel Limited and 18,750,000 equity shares were allotted to Telecommunications Consultants India Limited	10	20	Cash	Rights Issue	241,700,000	2,417,000,000
September 9, 2008	8,300,000	5,717,694 equity shares were allotted to Bharti Airtel Limited, 2,490,000 equity shares were allotted to Telecommunications Consultants India Limited and 92,306 equity shares were allotted to Mobile Telecommunications Co. KSC	10	60	Cash	Rights Issue	250,000,000	2,500,000,000
December 29, 2023	Pursuant to resolutions passed by the Board and Shareholders on December 28, 2023 and December 29, 2023, respectively, the authorized share capital of our Company was sub-divided from 250,000,000 equity shares of face value of ₹ 10 each to 500,000,000 equity shares of face value of ₹ 5 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 250,000,000 equity shares of face value of ₹ 10 each to 500,000,000 equity shares of face value of ₹ 5 each.						500,000,000	2,500,000,000
Total							**500,000,000**	**2,500,000,000**

^ *Our Company was incorporated on April 20, 1995 and the date of subscription to the Memorandum of Association was April 8, 1995.*

* *Certain corporate records, including minutes of the meetings of Shareholders of our Company and form 2 (return of allotments), are not traceable by our Company, or with the RoC. For further details, see "Risk Factors – 49. We are unable to trace some of our historical corporate records including minutes of the Shareholders meetings and corresponding form filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation." on page 59.*

2. **Preference Share capital history of our Company**

While our Company has preference shares forming part of its authorised share capital, it does not have any existing preference shares as on the date of this Red Herring Prospectus.

3. **Issue of specified securities at a price lower than the Offer Price in the last year**

Our Company has not issued any equity shares of the Company at a price that may be lower than the Offer Price during the last one year preceding the date of this Red Herring Prospectus.

4. **Issue of shares for consideration other than cash or by way of bonus issue or out of revaluation reserves**

As on the date of this Red Herring Prospectus, our Company has not issued any equity shares of the Company for consideration other than cash or by way of a bonus issue or out of revaluation reserves since its incorporation.

5. **Issue of shares pursuant to schemes of arrangement**

Except as given below, our Company has not allotted any shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013:

Pursuant to the composite scheme of arrangement amongst our Promoter, Tata Teleservices Limited ("**TTSL**"), our Company and their respective shareholders and creditors, as sanctioned by the National Company Law Tribunal, Principal Bench, New Delhi by way of its orders dated January 30, 2019, March 5, 2019 and May 30, 2019, our Company allotted 487 redeemable, non-participating, non-cumulative preference shares of face value ₹ 100 each ("**BHL RPS**") to the eligible shareholders of TTSL, including TTSL equity shareholders, TTSL optionally convertible preference shareholders, TTSL compulsorily convertible preference shareholders and Bharti Airtel Fractional Share Entitlement Trust on September 3, 2019. The Redeemable Preference Shares were redeemed by our Company on March 3, 2021. For details see "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets in the last ten years - Composite Scheme of Arrangement of Tata Teleservices Limited ("**Transferor Company**") with our Promoter and our Company and their respective shareholders and creditors ("**Scheme**") as sanctioned by the National Company Law Tribunal, Principal Bench, New Delhi by way of its orders dated January 30, 2019. March 5, 2019 and May 30, 2019 (collectively "**NCLT Orders**")*" on page 218.

6. **History of the share capital held by our Promoter**

As on the date of this Red Herring Prospectus, our Promoter, Bharti Airtel Limited, holds 350,000,000* Equity Shares, equivalent to 70.00% of the pre-Offer Equity Share capital of our Company.

**Two Equity Shares each are held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*

(a) Build-up of the Equity shareholding of our Promoter in our Company

The details regarding the build-up of the Equity shareholding of our Promoter in our Company since incorporation is set forth in the table below:

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Date of allotment/ transfer	Number of equity shares	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Offer equity share capital* (%)	Percentage of the post- Offer equity share capital (%)
Bharti Airtel Limited							
May 18, 2004^	53,760,000	Transfer by way of purchase of 53,760,000 equity shares from Shyam Cellular Infrastructure Projects Limited	Cash and other than cash^^	10	35.55#	21.5	[●]
	17,919,980	Transfer by way of purchase of 17,919,980 equity shares from Shyam Telecom Limited		10	35.55#	7.17	[●]
	49,280,000	Transfer by way of purchase of 49,280,000 equity shares from Shyam Telelink Limited		10	35.55#	19.71	[●]
	20*	Transfer by way of purchase of 20 equity shares from Rajiv Mehrotra	Cash	10	35.55#	Negligible	[●]
December 13, 2004^	1,792,000	Transfer by way of purchase of 1,792,000 equity shares from Ali & Fouad M.T. Al Ghanim Trading & Cont. Co. W.L.L.	Cash	10	11.25#	0.72	[●]
September 14, 2006	43,750,000	Rights Issue	Cash	10	20	17.5	[●]
September 9, 2008	5,717,694	Rights Issue	Cash	10	60	2.29	[●]
March 18, 2009^	2,780,306	Transfer by way of purchase of 2,780,306 equity shares from Mobile Telecommunications Co., Kuwait	Cash	10	60	1.11	[●]
Pursuant to resolutions passed by the Board and Shareholders on December 28, 2023 and December 29, 2023, respectively, the authorized, issued, subscribed and paid-up equity share capital of our Company was sub-divided from 250,000,000 equity shares of face value of ₹ 10 each to 500,000,000 equity shares of face value of ₹ 5 each. Accordingly, 175,000,000 equity shares of face value of ₹10 each held by Bharti Airtel Limited were sub-divided into 350,000,000 Equity Shares of face value of ₹5 each.							
Total	**350,000,000******					**70.00**	**[●]**

**20 equity shares were transferred from Rajiv Mehrotra to the nominees of Airtel, which included 4 equity shares to Rajan Bharti Mittal, 4 equity shares to Akhil Gupta, 3 equity shares to Anil Nayar, 3 equity shares to Kimti Lal Jain, 3 equity shares to Viresh Dayal and 3 equity shares to Narender Gupta.*

Subsequently, 15 equity shares held by such nominees were transferred to Airtel, which included 3 equity shares from Akhil Gupta on March 18, 2009, 2 equity shares from Anil Nayar on March 18, 2009, 2 equity shares from Kimti Lal Jain on March 18, 2009, 3 equity shares from Viresh Dayal on March 18, 2009, 2 equity shares from Narendra Gupta on March 18, 2009 and 3 equity shares from Rajan Bharti Mittal on March 18, 2009 and 2 equity shares from such nominees were transferred to other nominees of Airtel, which included one equity share from Anil Nayar to Manoj Kohli on March 18, 2009 and one equity share from Kimti Lal Jain to Devendra Khanna (currently a nominee of Airtel) on March 18, 2009. Thereafter, one equity share was transferred from Manoj Kohli to Atul Mohan Bindal on September 16, 2010, one equity share was transferred from Rajan Bharti Mittal to Ravi Kumar Kaushal on September 30, 2011, one equity share was transferred from Atul Mohan Bindal to Mukesh Hassanand Bhavnani on September 30, 2011, one equity share was transferred from Narender Gupta to Arjun Narain on September 13, 2013.

Thereafter, one equity share was transferred from Mukesh Hassanand Bhavnani to Rajendra Kumar Chopra on June 8, 2015, one equity share was transferred from Arjun Narain to Rohit Krishan Puri (currently a nominee of Airtel) on January 15, 2016, one equity share was transferred from Ravi Kumar Kaushal to Puneet Tandon (currently a nominee of Airtel) on March 30, 2016, one equity share was transferred from Akhil Gupta to Suman Singh (currently a nominee of Airtel) on September 26, 2016, one equity share was transferred from Rajendra Kumar Chopra to Mukesh Hassanand Bhavnani on February 28, 2017 and one equity share was transferred from Mukesh Hassanand Bhavnani to Pankaj Tewari (currently a nominee of Airtel) on August 7, 2020.

*Post such transfers, Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna ("**Nominees**") were the nominees of Airtel holding one equity share each. Further, pursuant to resolutions passed by the Board and Shareholders on December 28, 2023 and December 29, 2023, respectively, the authorized, issued, subscribed and paid-up equity share capital of our Company was sub-divided from 250,000,000 equity shares of face value of ₹ 10 each to 500,000,000 equity shares of face value of ₹ 5 each. Accordingly, the 5 equity shares of face value of ₹10 each held by the Nominees were sub-divided into 10 Equity Shares of face value of ₹5 each.*

^ Certain corporate records including share transfer forms, delivery instruction slips and RBI approvals related to transfer of equity shares to the Promoter are not traceable by our Company. For further details, see "Risk Factors – 49. We are unable to trace some of our historical corporate records including minutes of the Shareholders meetings and corresponding form filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 59. Accordingly, certain details in relation to these transfers cannot be ascertained.

^^Out of the total consideration of ₹ 4,300 million for the transfer of 120,959,980 equity shares to Bharti Airtel Limited, ₹ 550 million was paid in cash to the transferors and for the remaining ₹ 3,750 million, the transferors were issued optionally convertible redeemable debentures of Bharti Airtel Limited.

*** Two Equity Shares each, are held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares*

#Cost per equity share does not include the transaction cost.

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment/ acquisition of such Equity Shares.

(b) Details of lock-in:

1. Details of Promoter's contribution and lock-in

(i) In accordance with Regulation 14 and Regulation 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter, shall be locked in for a period of 18 months from the date of Allotment as minimum Promoter's contribution, and the shareholding of our Promoter in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

(ii) The details of the Equity Shares held by our Promoter, which shall be locked-in for a period of 18 months from the date of Allotment as minimum Promoter's contribution are set forth in the table below:

Promoter	Number of Equity Shares locked-in(1)(2)	Date of allotment /transfer of Equity Shares	Nature of transaction	Face value per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated in the Prospectus
(1) *For a period of 18 months from the date of Allotment.*
(2) *All Equity Shares were fully paid-up at the time of allotment/acquisition.*

(iii) Our Promoter has given its consent for inclusion of such number of Equity Shares held by it, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as part of the Promoter's contribution, subject to lock-in requirements as specified under Regulation 14 of the SEBI ICDR Regulations. Our Promoter has agreed not to dispose, sell, transfer, create any pledge, lien or otherwise encumber in any manner, the Promoter's contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iv) Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of minimum Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

In this connection, we confirm the following:

a. The Equity Shares offered as a part of the minimum Promoter's contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction; or (b) resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of minimum Promoter's contribution.

b. Our minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.

c. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a Company.

d. As on the date of this Red Herring Prospectus, the Equity Shares held by our Promoter and offered for minimum Promoter's contribution are not subject to pledge with any creditor.

2. ***Details of Equity Shares locked-in for six months***

A. In accordance with Regulation 17 of the SEBI ICDR Regulations, except for the Promoter's Contribution which shall be locked-in as above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, except for (i) the Equity Shares transferred pursuant to the Offer for Sale; (ii) any equity shares allotted to eligible employees of our Company, as applicable, whether currently employees or not and including the legal heirs or nominees of any deceased employees or previous employees pursuant to any employee stock option scheme or employee stock option plan; and (iii) the Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs or Category I AIF or Category II AIF or FVCI.

B. As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

3. ***Lock-in of Equity Shares allotted to Anchor Investors***

(i) There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment, and lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

4. ***Other lock-in requirements***

(i) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan granted by a scheduled commercial bank, a public financial institution, NBFC-SI or a housing finance company, subject to the following:

a) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer; and

b) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan. However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock in period has expired in terms of the SEBI ICDR Regulations.

(ii) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter and locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be transferred to and among any member of our Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable, and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

(iii) The Equity Shares held by any person other than our Promoter and locked-in for a period of six months from the date of Allotment in the Offer as per Regulation 17 of the SEBI ICDR Regulations, may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

7. Details of Equity Shares held by our Promoter, the members of our Promoter Group, Directors, Key Managerial Personnel and Senior Management

(i) Set out below are the details of the Equity Shares held by our Promoter and the directors of our Promoter in our Company. Further, other than as disclosed below, none of the members of our Promoter Group hold any Equity Shares in our Company.

Sr. No.	Name	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital* (%)	Percentage of the post-Offer Equity Share capital (%)
Promoter				
1.	Bharti Airtel Limited	350,000,000[#]	70.00	[●]
Total		350,000,000	70.00	[●]
Directors of our Promoter				
2.	-	-	-	-
Members of our Promoter Group				
3.	-	-	-	-
Total		**350,000,000**	**70.00**	**[●]**

* *The percentage of the Equity Share capital has been calculated on the basis of total Equity Shares held by a Shareholder.*

[#] *Two Equity Shares each are held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*

For further details, see "*Our Promoter and Promoter Group*" on page 240.

(ii) None of our Directors, Key Managerial Personnel and Senior Management hold any Equity Shares in our Company.

8. As of the date of the filing of this Red Herring Prospectus, the total number of Shareholders in our Company is 7.

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9. Shareholding pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)			Number of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								Number of voting rights		Total as a % of (A+B+C)			Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b) on a fully diluted basis	
								Class: Equity Shares	Total								
(A)	**Promoter and Promoter Group**	6*	350,000,000	-	-	350,000,000	70.00	350,000,000	350,000,000	70.00	-	70.00	-	-	-	-	350,000,000
(B)	**Public**	1	150,000,000	-	-	150,000,000	30.00	150,000,000	150,000,000	30.00	-	30.00	-	-	-	-	150,000,000
(C)	**Non Promoter-Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	**Shares underlying depository receipts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by employee trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**7**	**500,000,000**	**-**	**-**	**500,000,000**	**100.00**	**500,000,000**	**500,000,000**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**500,000,000**

* *The total number of Shareholders has been computed based on the statement of beneficiary position dated January 19, 2024. Our Company has seven shareholders, out of which five equity shareholders, i.e., Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna, are holding two Equity Shares each, as the registered holder in their respective demat accounts, on behalf of our Promoters, and our Promoter is the beneficiary owner of these 10 Equity Shares and in total holds 350,000,000 Equity Shares.*

10. **Details of equity shareholding of the major Shareholders of our Company**

a) The Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as on the date of this Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (in %)
1.	Bharti Airtel Limited	350,000,000*	70.00
2.	Telecommunications Consultants India Limited	150,000,000	30.00
Total		**500,000,000**	**100.00**

* *Two Equity Shares each are held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*

b) The Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as of 10 days prior to the date of this Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (in %)
1.	Bharti Airtel Limited	350,000,000*	70.00
2.	Telecommunications Consultants India Limited	150,000,000	30.00
Total		**500,000,000**	**100.00**

* *Two Equity Shares each were held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares.*

c) The Shareholders who held 1% or more of the paid-up equity share capital of our Company and the number of equity shares held by them, as of the date one year prior to the date of this Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares of face value of ₹ 10 each	Percentage of the pre-Offer equity share capital (in %)
1.	Bharti Airtel Limited	175,000,000*	70.00
2.	Telecommunications Consultants India Limited	75,000,000	30.00
Total		**250,000,000**	**100.00**

* *One equity share each was held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these equity shares.*

d) The Shareholders who held 1% or more of the paid-up equity share capital of our Company and the number of equity shares held by them, as of the date two years prior to the date of this Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares of face value of ₹ 10 each	Percentage of the pre-Offer equity share capital (in %)
1.	Bharti Airtel Limited	175,000,000*	70.00
2.	Telecommunications Consultants India Limited	75,000,000	30.00
Total		**250,000,000**	**100.00**

* *One equity share each was held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our Promoter and our Promoter is the beneficial owner of these equity shares.*

11. As on the date of this Red Herring Prospectus, our Company does not have any employee stock options scheme or any employee stock option plan.

12. As on the date of this Red Herring Prospectus, all the Equity Shares held by our Promoter are held in dematerialised form.

13. None of the Book Running Lead Managers or their respective associates (as defined under the SEBI Merchant Bankers Regulations) hold any Equity Shares in our Company as on the date of this Red Herring Prospectus.

14. There are no partly paid up Equity Shares as on the date of this Red Herring Prospectus and all Equity Shares issued pursuant to the Offer will be fully paid up at the time of Allotment.

15. None of our Promoter, directors of our Promoter, the members of our Promoter Group, our Directors and their respective relatives have purchased, acquired or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.

16. Our Company, our Directors and the Book Running Lead Managers have not made any or entered into any buy-back arrangements for purchase of Equity Shares being offered through the Offer.

17. There will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be this is in the event there is a failure of the Offer.

18. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to the issuance of any Equity Shares under the Offer.

19. At any given time, there shall be only one denomination for the Equity Shares, unless otherwise permitted by law.

20. There are no outstanding convertible securities or any warrant, option or right to convert a debenture, loan or other instrument which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

21. No person connected with the Offer, including, but not limited to the Book Running Lead Managers, the Syndicate Members, our Company, our Promoter, Selling Shareholder, our Directors, or the members of our Promoter Group, shall offer or make payment of any incentive, direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

22. There have been no financing arrangements whereby our Promoter, directors of our Promoter, the members of our Promoter Group, our Directors and their respective relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus.

23. Our Company shall ensure that transactions in the Equity Shares by our Promoter and the members of our Promoter Group between the date of filing of the Draft Red Herring Prospectus and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

OBJECTS OF THE OFFER

The objects of the Offer are to (i) to carry out the Offer for Sale of up to 75,000,000 Equity Shares by the Selling Shareholder; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Further, our Company expects that listing of the Equity Shares will enhance our visibility and brand image and provide liquidity to our Shareholders and will also provide a public market for the Equity Shares in India.

Utilisation of the Offer Proceeds by Selling Shareholder

Our Company will not receive any proceeds from the Offer (the "**Offer Proceeds**") and all the Offer Proceeds will be received by the Selling Shareholder post deduction of Offer related expenses to be borne by the Selling Shareholder. For details of Offered Shares by the Selling Shareholder, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" beginning on page 414.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank and Sponsor Bank(s) to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All costs, charges, fees, expenses and taxes associated with and incurred with respect to the Offer, including but not limited to offer advertising, printing, research expenses, road show expenses, accommodation and travel expenses, stamp duty, transfer, issuance, documentary, registration, costs for execution and enforcement of the Offer Agreement, and other Offer related agreements, Registrar's fees, fees and expenses of legal counsels to our Company and the Book Running Lead Managers, fees and expenses of the auditors, fees to be paid to Sponsor Bank, SCSBs (processing fees and selling commission), brokerage and commission for Syndicate Members, commission to Registered Brokers, Collecting DPs and Collecting RTAs, and payments to consultants, and advisors, regulatory fees (excluding the listing fees), fees to intermediaries and third parties, shall be solely borne by the Selling Shareholder in accordance with applicable law. For avoidance of doubt, (i) the listing fee shall be paid and borne by our Company; and (ii) (a) the filing fees to SEBI; (b) NSE/BSE charges for use of software for the book building; (c) payments required to be made to Stock Exchanges for initial processing; and (d) payments required to be made to depositories or the depository participants for transfer of shares to the beneficiaries account and other regulatory fees in relation to the Offer (excluding listing fees) shall be paid by the Book Running Lead Managers and the Book Running Lead Managers shall be reimbursed by our Company and our Company shall be reimbursed by the Selling Shareholder. Further, any payments made by our Company on behalf of the Selling Shareholder, which may include the fee and expenses of the auditors as well, shall be reimbursed by the Selling Shareholder to our Company. In the event that the Offer is postponed or withdrawn or abandoned for any reason or in the event the Offer is not successfully completed, all expenses in relation to the Offer including the fees of the Book Running Lead Managers and legal counsel and their respective reimbursement for expenses which may have accrued up to the date of such postponement, withdrawal, abandonment or failure as set out in their respective engagement letters, shall be solely borne by the Selling Shareholder. The payments of fees and expenses to the BRLMs which will be paid by our Company and reimbursed by the Selling Shareholder to our Company, shall be subject to the terms and conditions of the work order issued to the BRLMs.

The estimated Offer expenses are as follows:

(*₹ in million*)

Activity	Estimated expenses* (in ₹ million)	As a% of the total estimated Offer expenses	As a% of the total Offer size
Fees and commissions payable to the BRLMs (including any underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs[(1)]	[●]	[●]	[●]

Activity	Estimated expenses* (in ₹ million)	As a% of the total estimated Offer expenses	As a% of the total Offer size
Printing and distribution of issue stationery	[●]	[●]	[●]
Others **A.** Regulatory filing fees, book building software fees, listing fees etc	[●]	[●]	[●]
B. Fee payable to Statutory Auditor, namely Deloitte Haskins & Sells LLP	[●]	[●]	[●]
C. Fees payable to other intermediaries	[●]	[●]	[●]
D. Fee payable to legal counsels	[●]	[●]	[●]
E. Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

** Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. *Offer expenses are estimates and are subject to change.*

(1) Selling commission payable to the SCSBs on the portion for RIBs, Non-Institutional Bidders, which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for RIBs	*0.20% of the amount allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.10% of the amount allotted* (plus applicable taxes)*

** Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE.

(2) Processing fees payable to the SCSBs on the portion for RIB, Non-Institutional Bidders, which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIB, Non-Institutional Bidders,	*₹10 per valid application (plus applicable taxes)*

SCSBs will be entitled to a processing fee of ₹10 (plus applicable taxes), per valid ASBA Form, subject to total ASBA processing fees being maximum of ₹1.0 million (plus applicable taxes), for processing ASBA Forms procured by Members of the Syndicate, sub- Syndicate members, Registered Brokers, RTAs or CDPs from Non-Institutional Bidders, submitted to the SCSBs. In case the total ASBA processing charges payable to SCSBs exceeds ₹1.0 million, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹1.0 million.

(3) Selling commission on the portion for the UPI Bidders using the UPI Mechanism, Non-Institutional Bidders, which are procured by members of the Syndicate (including their sub-Syndicate members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:

Portion for RIBs	*0.20% of the amount allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.10% of the amount allotted* (plus applicable taxes)*

** Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The selling commission payable to the Syndicate / sub-Syndicate members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / sub-Syndicate member.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for the UPI Bidders procured through UPI Mechanism, Non-Institutional Bidders, which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for RIBs**	*₹10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹10 per valid application (plus applicable taxes)*

** Based on valid applications*

The total bidding charges payable to Registered Brokers will be subject to a maximum cap of ₹0.1 million (plus applicable taxes). In case the total selling commission payable to Registered Brokers exceeds ₹0.1 million, then the amount payable to Registered Brokers would be proportionately distributed based on the number of valid applications such that the total selling commission payable does not exceed ₹0.1 million.

Uploading charges/ processing fees for applications made by the UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs (uploading charges)	*Nil*
Sponsor Banks (Processing fee)	*NIL* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Banks Agreement.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/l/M dated March 16, 2021.

Monitoring Utilization of Funds

Since the Offer is an Offer for Sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

Other confirmations

Except to the extent of the proceeds received pursuant to the Offer for Sale, there is no arrangement whereby any portion of the Offer proceeds will be paid to our Promoter, Promoter Group, our Directors, our Key Managerial Personnel, our Senior Management or our Group Companies.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price, and Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Bidders should also see "*Risk Factors*", "*Our Business*", "*Restated Financial Information*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 35, 190, 254 and 340, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Established Leadership and Large Customer Base in our areas of Operations

We provide consumer mobile services, fixed-line telephone and broadband services to customers in Rajasthan and in the North East telecommunication circles in India, which comprises the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. As of December 31, 2023, we were present in 486 census towns and had an aggregate of 27.1 million customers.

The following table sets forth details of our wireless revenue market share and customer market share (as reported by TRAI) for the periods indicated:

Particulars	***As of and for the nine months ended December 31***		***As of and for the year ended March 31,***		
	2023	***2022***	***2023***	***2022***	***2021***
Revenue Market Share					
Rajasthan	*40.4%*	*39.2%*	*39.5%*	*36.7%*	*32.7%*
North East	*52.7%*	*52.4%*	*52.5%*	*48.5%*	*42.0%*
Customer Market Share					
Rajasthan	*35.0%*	*34.8%*	*35.3%*	*34.5%*	*33.1%*
North East	*49.8%*	*48.1%*	*48.0%*	*47.2%*	*43.6%*

(Source: CRISIL Report)

- We were at number one position in the North East circle during the nine months ended December 31, 2023 and Fiscals 2023 and 2022. In the Rajasthan circle, the market share gap between us and the market leader has narrowed between Fiscal 2021 and the nine months ended December 31, 2023 and we stood at the close second position during the nine months ended December 31, 2023. *(Source: CRISIL Report)*

- Presence in markets with high growth potential.

We operate in the Rajasthan and North East telecommunication circles in India.

According to the CRISIL Report, Rajasthan had a teledensity of 79.5% as of Fiscal 2023, which lags the national average of 84.5% due to its lower rural teledensity of 57.2%. Rajasthan's customer base is expected to grow at 1.4% to 1.5% between Fiscals 2023 and 2028 reaching 69.0 million to 69.5 million with a teledensity of 82% to 83% following pan-India trends with rising rural teledensity. Wireless customers are expected to account for approximately 98.5% of the customers by Fiscal 2028. Rajasthan's focus on resolving regional imbalances and supporting growth in rural areas will create demand for telecom services in rural areas of the state, driving customer growth. The gross revenue of the Rajasthan circle was approximately ₹127.6 billion in Fiscal 2023 growing at CAGR of 4.4% between Fiscals 2014 and 2023. However, its revenue grew robustly at 17% in Fiscal 2023 in line with the national trend and the industry is expected to grow at 7% to 8% between Fiscals 2023 and 2028 to reach ₹ 183 to 185 billion, supported by a rise in teledensity in the region, especially in rural regions, higher tariffs and an increase in internet penetration in the state.

The North East circle had a teledensity of 79.7% as of Fiscal 2023 with a majority of its telecom customers being wireless due to the limited penetration of wireline services on account of challenges in laying and maintaining wireline infrastructure given the region's hilly terrain and extreme weather conditions. The region is also receiving special attention from the Government towards infrastructure improvement. The government is implementing various schemes including a 4G saturation project for the provision of 4G mobile services across all 24,680 uncovered villages of India, including in the North East. The customer base in the North East is expected to grow at 1% to 1.5% between Fiscals 2023 and 2028 reaching 13.2 to 13.5 million with a teledensity of 81% to 82%. The North East circle telecom industry is expected to grow at 6% to 7% between Fiscals 2023 and 2028 to reach ₹ 39 to 41 billion, supported by rising teledensity, higher internet penetration and a potential increase in ARPU in the region. (Source: CRISIL Report)

The industry ARPU for wireless services in the Rajasthan circle grew from ₹68 to ₹145 at a CAGR of 20.8%, while in the North East circle it grew from ₹74 to ₹170 at a CAGR of 23.1%, outperforming the national ARPU growth from ₹71 to ₹142.3 at a CAGR of 19.0%, between Fiscals 2019 and 2023.

- Strong Parentage and Established Brand
- Building a Future Ready Network
- Extensive Distribution and Service Network
- Experienced Management Team

For further details, see "*Our Business – Our Competitive Strengths*" on page 192.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see "*Restated Financial Information*" and "*Other Financial Information*" on pages 254 and 337, respectively.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings per share for continuing operations ("EPS") (face value of each Equity Share is ₹5):

Fiscal / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight*
2023	10.98	10.98	3
2022	33.49	33.49	2
2021	(20.68)	(20.68)	1
Weighted Average	**13.21**	**13.21**	
Nine months period ended December 31, 2023^	5.64	5.64	
Nine months period ended December 31, 2022^	6.95	6.95	

Notes: EPS has been calculated in accordance with the Indian Accounting Standard 33 – "Earnings per share". The face value of equity shares of the Company is ₹ 5.
Basic EPS (₹) = Restated net profit/(loss) available to equity shareholders/ Weighted average number of equity shares outstanding during the period/year as per Restated Financial Statement.
Diluted EPS (₹) = Restated net profit/(loss) available to equity shareholders/ Weighted average number of dilutive equity share during the period/year as per Restated Financial Statement.
** Weight applied have been as determined by the management of the Company.*
^Basic and Diluted earnings per equity share are not annualised for the nine months period ended December 31, 2023 and December 31, 2022.

B. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹[●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS as per the Restated Ind AS Financial Statement for the financial year ended March 31, 2023	The details shall be provided post the fixing of price band by our Company at the stage of the filing of price band advertisement.	
Based on diluted EPS as per the Restated Ind AS Financial Statement for the financial year ended March 31, 2023		

C. Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	82.16
Lowest	(1.63)
Average	40.27

Note: P/E Ratio is computed based on the closing market price (i.e. March 11, 2024) of equity shares on BSE, divided by the Diluted EPS provided.

D. Average return on Net Worth ("RoNW")

Fiscal / Period ended	RoNW (%)	Weight*
2023	13.83	3
2022	46.87	2
2021	(54.45)	1
Weighted Average	**13.46**	
Nine months period ended December 31, 2023^	7.08	
Nine months period ended December 31, 2022^	8.86	

Notes 1: RoNW (%) is calculated as net profit / (loss) for the year / period attributable to the equity shareholders of the Company divided by net worth at the end of that year / period.
Note 2: Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company).
^Return on net worth ("RoNW") are not annualised for the nine months period ended December 31, 2023 and December 31, 2022.
**Weight applied have been as determined by the management of the Company.*

E. Net Asset Value ("NAV") per Equity Share

Net Asset Value per Equity Share	₹
As at March 31, 2023	84.19
As at December 31, 2023	88.32
After the Offer	
- At Floor Price	[●]
- At Cap Price	[●]
- Offer Price*	[●]

Notes: Net Asset Value per equity share represent sum of total assets less total liabilities as at the end of the fiscal year, as restated, divided by the weighted average number of Equity Shares outstanding during the period/year as per Restated Financial Statements. The face value of equity shares of the Company is ₹ 5.
** To be populated in the Prospectus.*

F. Comparison with Industry Peers

Following is the comparison with our peer group companies in India and in the same line of business as our Company:

Name of the company	Type of the financials	Face value (₹. per share)	Closing price as on March 11, 2024 as per BSE data (₹)	Total Revenue (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
					Basic	Diluted			
Company	Standalone	5	NA	65,790	10.98	10.98	84.19	NA	13.83
PEER GROUP									
Bharti Airtel Limited	Consolidated	5	1,197.10#	1,391,448	14.80	14.57	136.72	82.16	15.84
Vodafone Idea Limited	Consolidated	10	13.75	421,772	(8.43)	(8.43)	(15.28)	(1.63)	NA*
Reliance Jio Infocomm Limited**	Standalone	10	NA	907,860	4.05	1.07	48.00	NA^	8.43

Source: The financial information for listed industry peers mentioned above is based on annual reports of peer companies for the year ended March 31, 2023 submitted to stock exchanges. Further, with respect to our Company, the information is based on Restated Financial Statement.
#Closing price is taken for the fully paid up equity share capital of ₹ 5 each.
** Peer Company has negative net worth as well as loss for the year ended on March 31, 2023, hence RoNW has not been calculated.*
*** All the information for Reliance Jio Infocomm Limited as disclosed above is based on annual report or quarterly public disclosures. (₹ in crore has been converted to million by multiplying with 10).*
^ Since the equity shares of this Peer Company are not listed, P/E ratio has not been calculated.
Note 1: Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the publicly available financial results of the respective peer companies for the year ended March 31, 2023.
Note 2: P/E Ratio of peers has been computed based on the closing market price (i.e., March 11, 2024) of equity shares on BSE, divided by the Diluted EPS provided under Note 1 above.
Note 3: Return on Net Worth (%) = Net profit/(loss) after tax / Net worth at the end of the financial year ended 2023.
Note 4: Net worth of peer companies is total of equity share capital and other equity. Further net worth of Company means

aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company).
Note 5: NAV of the peer is computed as total of equity share capital and other equity (excluding non-controlling interest) at the end of the year / total number of equity shares outstanding at the end of the year.
Further, NAV of the Company is computed as total assets less total liabilities at the end of the year / weighted average number of equity shares outstanding during the year as per Restated Financial Statements.

G. Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved and verified by our Audit Committee pursuant to its resolution dated March 15, 2024 and the Audit Committee has confirmed that there are no KPIs pertaining to our Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by J C Bhalla & Co, Chartered Accountants pursuant to certificate dated March 22, 2024. This certificate has been designated as a material document for inspection in connection with the Offer. See "*Material Contracts and Documents for Inspection*" on page 518.

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to its peers.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year (or any lesser period as may be determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges, or for such other duration as required under the SEBI ICDR Regulations.

The Bidders can refer to the below-mentioned Key Performance Indicators, being a combination of financial and operational Key Performance Indicators, to make an assessment of our Company's performances and make an informed decision:

Sr. No.	List of KPIs as identified by the Company	Nine months period ended		Fiscal		
		December 31, 2023	December 31, 2022	2023	2022	2021
1.	Revenue from operations (₹ In Million)	52,208	48,465	65,790	54,052	46,023
2.	EBITDA (₹ In Million)	25,764	20,910	28,884	18,985	11,373
3.	EBITDA Margin (in %)	49.35%	43.14%	43.90%	35.12%	24.71%
4.	Average Revenue Per User (ARPU) for mobile services (₹)	197	184	185	155	135
5.	Customer Base for mobile services (In Thousands)	26,782	25,479	25,827	24,767	24,979

We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" on page 1. For details of our other operating metrics disclosed elsewhere in this Red Herring Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 190 and 340, respectively.

H. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools.

Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

S. No.	List of KPIs as identified by the Company	Explanations provided by the Company
1	Revenue from operations (in ₹ Million)	Revenue from operations comprises revenue arising from core business offerings in consumer mobile services, fixed line and broadband services.
2	EBITDA (in ₹ Million)	EBITDA is calculated as Profit before depreciation, amortization, finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities.
3	EBITDA Margin (in %)	EBITDA Margin (%) is calculated as EBITDA (excluding interest income and net gain on marketable securities) divided by Revenue from operations.
4	Average Revenue Per User (ARPU) for mobile services (₹)	ARPU is a factor of revenue earned from Customers divided by revenue earning Customer ("REC") base. For ARPU computation purposes, stringent definition of Customer base is used in terms of Revenue Earning Customers (REC) which means Customers who have done any activity *i.e.*, call/SMS/data usage, etc. in the last 30 days. Whereas in TRAI reporting, Customer reporting is basis 90 days active Customers (as per TRAI guidelines).
5	Customer Base for mobile services (in thousands)	The mobile customer base pertains to Revenue Earning Customers (REC), specifically covering Prepaid and Postpaid customer segments. It excludes Machine-to-Machine (M2M) customers from the overall mobile customer base.

I. Comparison of KPIs based on additions or dispositions to our business

Our Company has not made any additions or dispositions to its business during the Fiscals 2023, 2022 and 2021, or during the nine months period ended December 31, 2023.

J. Comparison of its KPIs with Industry Peers

The following table provides a comparison of the KPIs of our Company with our peer group. The peer group has been determined on the basis of companies, whose business profile is comparable to our businesses in terms of our size and our business model:

Particulars	Bharti Hexacom Limited					Bharti Airtel Limited*					Vodafone Idea Limited					Reliance Jio Infocomm Limited**				
	Nine months ended December 31, 2023	**Nine months ended December 31, 2022**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**	**Nine months ended December 31, 2023**	**Nine months ended December 31, 2022**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**	**Nine months ended December 31, 2023**	**Nine months ended December 31, 2022**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**	**Nine months ended December 31, 2023**	**Nine months ended December 31, 2022**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Revenue from operations (₹ In Million)	52,208	48,465	65,790	54,052	46,023	811,801	726,137	978,640	821,318	723,083	320,449	316,453	421,772	385,155	419,522	741,600	673,920	907,860	769,770	698,880
EBITDA (₹ In Million)	25,764	20,910	28,884	18,985	11,373	437,157	376,544	510,570	409,738	328,280	127,902	126,067	168,170	160,361	169,457	391,440	347,190	470,340	378,570	314,610
EBITDA Margin (in %)	49.35	43.14	43.90	35.12	24.71	53.85	51.86	52.17	49.89	45.40	39.91	39.84	39.87	41.64	40.39	52.78	51.52	51.81	49.18	45.02
Average Revenue Per User (ARPU) for mobile services (₹)[#]	197	184	185	155	135	208	193	193	178	145	145	135	135	124	107	182	178	179	168	138
Customer Base for mobile services (In Thousands)[#]	26,782	25,479	25,827	24,767	24,979	345,570	332,244	335,412	326,043	321,374	215,200	228,600	225,900	243,800	267,800	470,900	432,900	439,300	410,200	426,200

[*]All the financial information for Bharti Airtel Limited mentioned above is India segment operations as reported in their quarterly IR Pack / report.
The information for Vodafone Idea limited is on consolidated basis.
[#]ARPU and customer base of peer companies for mobile services is for Exit quarters of the respective periods as appearing in their quarterly IR Pack / report. ARPU for Vodafone Idea Limited is blended as per their quarterly IR Pack / report.
*** All the information for Reliance Jio Infocomm Limited is on standalone basis and is based on annual report or quarterly public disclosures. Wherever appropriate, ₹ in crore has been converted to million by multiplying with 10. Further, Customer Base for mobile services has been converted from million to thousands by multiplying with 1,000.*
Note 1: Revenue from Operations of the Company means the Revenue from Operations as appearing in the restated financial statements.
Note 2: EBITDA of the Company is calculated as Profit before depreciation, amortization, finance costs, tax and exceptional items less interest income and net gain on marketable securities for the year/period as per Restated Financial Statements.
Note 3: EBITDA Margin (%) is calculated as EBITDA (excluding interest income and net gain on marketable securities) divided by Revenue from operations.
Note 4: ARPU of the Company is a factor of revenue earned from customers divided by revenue earning customer ("REC") base. For internal ARPU computation purposes, the Company use stringent definition of customer base in terms of REC which means customers who have done any activity i.e., call/SMS/data usage, et in the last 30 days. Whereas in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines)."
Note 5: The information of the peer companies are extracted from the annual reports and public disclosures as available of the respective peers.

K. Price per share of our Company based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

The Company has not undertaken any Primary Issuances of its equity share capital during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

L. Price per share of our Company based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoter, members of the Promoter Group , Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on our Board during the 18 months preceding the date of filing of this Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

There have been no Secondary Transactions of the equity shares of the Company during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Note: Since there were no primary or secondary transactions of equity shares of the Company during the 18 months to report (a) and (b), the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoter, members of the Promoter Group, Selling Shareholder or shareholder(s) having the right to nominate directors on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction, is as below:

There are no Primary Issuances or Secondary Transactions of equity share capital by our Company during the three years prior to the date of filing of this Red Herring Prospectus.

M. Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price* (*i.e.*, ₹ [●])	Cap price* (*i.e.*, ₹ [●])
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.^	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where Promoter, members of the Promoter Group, Selling Shareholder, or Shareholder(s) having the right to nominate Directors on our Board are a party to the transaction (excluding gifts), during the 18 months	N.A.^	[●] times	[●] times

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price* (*i.e.*, ₹ [●])	Cap price* (*i.e.*, ₹ [●])
preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days			
Note: Since there were no primary or secondary transactions of equity shares of the Company during the 18 months to report (a) and (b), the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoter, members of the Promoter Group, Selling Shareholder or shareholder(s) having the right to nominate directors on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction, is as below:			
Last 5 Primary Transactions	N.A.^	[●] times	[●] times
Last 5 Secondary Transactions	N.A.^	[●] times	[●] times

** Details have been left intentionally blank as the Floor Price and Cap Price are not available as on date of this Red Herring Prospectus. To be updated at Prospectus stage.*
^ There have been no transactions Primary Issuances or Secondary Transactions.

N. Justification for Basis of Offer Price

1. **The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last 18 months preceding the date of this Red Herring Prospectus compared to our Company's KPIs and financial ratios for the Fiscals 2023, 2022 and 2021 and the nine months periods ended December 31, 2023 and December 31, 2022**

   [●]*

   **To be included on finalisation of Price Band*

2. **The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last 18 months preceding the date of this Red Herring Prospectus in view of external factors, if any, which may have influenced the pricing of the Offer**

   [●]*

   **To be included on finalisation of Price Band*

O. The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Managers, on the basis of market demand from investors for Equity Shares through the Book Building Process.

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 35, 190, 254 and 340, respectively, to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors
Bharti Hexacom Limited
Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase - II,
New Delhi 110070, India

Dear Sir/Madam,

Sub: Statement of special tax benefits available to Bharti Hexacom Limited ("Company") and its shareholders in accordance with the requirement under Schedule VI-A Part A – Clause (9)(L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"), under direct and indirect tax laws ("Statement of Possible Special Tax Benefits").

We refer to the proposed initial public offering of the equity shares ("**Offer**") of the Company. In this regard, we enclose herewith the statement ("**Annexure**") showing the current position of special tax benefits available to the Company and its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961 read with Income Tax Rules, 1962, circulars, notifications as amended by the Finance Act 2023 as presently in force, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company and its shareholders operate and applicable to the Company and its shareholders, Customs Act 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as "Taxation Laws"), relevant to the Financial Year ("FY'') 2023-24 relevant to the Assessment Year ("AY") 2024-25 presently in force in India for inclusion in the Red Herring Prospectus and the Prospectus (collectively, the "Offer Documents") for the proposed initial public offering of equity shares of the Company, as required under ICDR Regulations.

Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and its shareholders to derive these special direct and indirect tax benefits is dependent upon their fulfilling such conditions which is based on business imperatives that the Company and its shareholders may face in the near future and accordingly, the Company and its shareholders may or may not choose to fulfil.

The special tax benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares by the Company (the "**Offer**"). We are neither suggesting nor are advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company and its shareholders will continue to obtain these special tax benefits in future; and
- The conditions prescribed for availing the special tax benefits have been/would be met.

We hereby give our consent to include this report and the enclosed Annexure regarding the special tax benefits available to the Company and its shareholders in the Offer Documents in relation to the Offer, which the Company intends to file with the Securities and Exchange Board of India and the stock exchanges (National Stock Exchange of India Limited and BSE Limited) where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the Offer Documents.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the proposed initial public offer relying on the Annexure. This statement has been prepared solely in connection with the proposed initial public offering of equity shares by the Company, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration Number: 117366W/W-100018)

Nilesh H. Lahoti
Partner
(Membership No. 130054)
(UDIN: 24130054BKFRJP9513)

Place: Gurugram
Date: March 22, 2024

ANNEXURE

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO BHARTI HEXACOM LIMITED AND ITS SHAREHOLDERS

The information provided below sets out the possible special direct tax benefits available to Bharti Hexacom Limited ("Company") and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership, and disposal of equity shares of the Company, under the Income-tax Act, 1961 (as amended by the Finance Act 2023) read with Income Tax Rules, 1962, circulars, notifications, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company and its shareholders operate and applicable to the Company and its shareholders, Customs Act 1962 and Foreign Trade Policy 2023 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as "Taxation Laws") presently in force in India.

Several of these benefits are dependent on fulfilling the conditions prescribed under the relevant Taxation Laws. Hence, the ability of the Company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business / commercial imperatives any of them face, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company and its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing Taxation Laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHARE HOLDERS

I. Special Direct tax benefits available to the Company under the Income tax Act, 1961

The Statement of possible tax benefits enumerated below is as per the Income Tax Act 1961 ("ITA") as amended from time to time and as applicable for Financial Year ("FY") 2023-24 relevant to Assessment Year ("AY") 2024-25.

1) Lower corporate tax rate under Section 115BAA of the ITA

Section 115BAA inserted w.e.f. 1 April 2020 (AY 2020-21), provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess[1]).

In case the Company opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:

- Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
- Deduction under clause (iia) of sub-section (1) of Section 32 (Additional depreciation);
- Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
- Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
- Deduction under Section 35CCD (Expenditure on skill development);
- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-corporate dividends);
- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of Section 115JB regarding Minimum Alternate Tax ("MAT") are not applicable if the Company opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA. Consequently, the Company will not be entitled to claim tax credit relating to MAT.

The Company has opted for the concessional rate of tax for the first time in the return of income filed for FY 2021-22 for which declaration in specified form (i.e., Form 10-IC) has been filed with the ITA.

2) Deduction in respect of employment of new employees under Section 80JJAA of the ITA

As per Section 80JJAA of the ITA, an assessee subject to tax audit under Section 44AB of the ITA, is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided, subject to the fulfilment of prescribed conditions therein.

The deduction under Section 80JJAA is available even if the Company opts for concessional tax rate under Section 115BAA of the ITA.

3) Deduction in respect of certain inter-corporate dividends under Section 80M of the ITA

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[1] *Surcharge at 10% on the tax liability and further, enhanced by an education cess at 4% of the total tax liability and surcharge*

As per Section 80M of the ITA, where domestic companies have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of Section 139 of the ITA.

The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA of the ITA.

Though the Company is eligible to avail Section 80M of the ITA, it does not own shares of any domestic company, foreign company or business trust (as on year ended 31 March 2023). Hence, the Company has not availed any deduction under Section 80M of ITA for the AY 2023-24.

4) Allowance of expenditure incurred for obtaining right to use spectrum for telecommunication services under Section 35ABA of the ITA

Section 35ABA of the ITA inserted by the Finance Act 2016 w.e.f. 1 April 2017 (i.e., AY 2017-18), states that capital expenditure incurred for acquiring any right to use spectrum for telecommunication service, shall be amortized over the period for which right to use spectrum is obtained, starting from the year of actual payment. The Company, being engaged in telecommunication business, is eligible under Section 35ABA of the ITA for amortization of such expenditure.

5) Allowance of expenditure incurred for obtaining license to operate telecommunication services under Section 35ABB of the ITA

Section 35ABB of the ITA inserted by the Finance Act 1997 w.r.e.f. 1 April 1996 (i.e., AY 1996-97), states that capital expenditure incurred for acquiring any right to operate telecommunication services, shall be amortized over the un-expired period of license, starting from the year of actual payment. The Company, being engaged in telecommunication business, is eligible under Section 35ABB of the ITA for amortization of telecommunication license fee.

II. Special Direct tax benefits available to shareholders of the Company

There is no special direct tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the ITA. Further, it may be noted that these are general tax benefits available to equity shareholders, other shareholders holding any other type of instrument are not covered below.

1) **Dividend Income**: Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 80M of the ITA would be available on fulfilling the conditions as mentioned above.

2) **Tax on Capital gains**: As per Section 112A of the ITA, long-term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act 2004 read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,00,000 in a financial year.

Further, as per Section 111A of the ITA, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfillment of prescribed conditions under the ITA.

3) **Simplified/New tax regime:** As per Section 115BAC of the ITA, a simplified/new tax regime has been introduced wherein income-tax shall be computed at the rates specified in sub-section 1 of Section

115BAC of the ITA, subject to the assessee not availing specified exemptions and deductions. The said regime was initially applicable for individuals and Hindu Undivided Family.

In order to make the simplified tax regime more attractive, Finance Act, 2023 with effect from FY 2023-24 has extended the Section 115BAC to Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person. Further, certain additional benefits have been provided which are listed as under:

- Basic exemption limit has increased from INR 250,000 to INR 3,00,000;
- Highest applicable surcharge on income above has been reduced from 37% to 25%;
- Income threshold for the tax rebate available for resident individuals has been increased from INR 5,00,000 to INR 7,00,000;
- Benefit of standard deduction up to INR 50,000 has now been made available on salary / pension income.

It may be noted that the shareholders have the discretion to exercise the simplified tax regime.

4) **Double Taxation Avoidance Agreement benefit**: In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile and fulfillment of other conditions to avail the treaty benefit.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The Statement of possible tax benefits enumerated below is per the Central Goods and Services Tax Act, 2017 ('CGST Act'), the Integrated Goods and Services Tax Act, 2017 ('IGST Act'), the Union Territory Goods and Services Tax Act, 2017 ('UTGST Act'), respective State Goods and Services Tax Act, 2017 ('SGST Act') (all these legislations collectively referred to as 'GST Legislation'), the Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023 (collectively referred to as "Indirect Tax") as amended from time to time and as applicable for FY 2023-24.

I. Special Indirect tax benefits available to the Company under the Indirect tax laws

i. Benefits under the Foreign Trade Policy 2023

There are no special indirect tax benefits available to the Company under the Foreign Trade Policy 2023.

ii. Benefits under Customs Act (read with Tariff Act and related rules and regulations)

Benefit of exemption on import of goods under section 25 of the Customs Act

As per section 25 of the Customs Act, the Central Government is empowered to exempt whole or part of customs duty leviable on import of goods. The Company is availing such exemption benefit on import of equipment under below mentioned notifications issued by the Central Government:

- Notification No. 50/2017 – Customs dated 30th June 2017 (as amended)
- Notification No. 57/2017 – Customs dated 30th June 2017 (as amended)
- Notification No. 24/2005 – Customs dated 1st March 2005 (as amended)

iii. Benefits under the Central Goods and Services Tax Act, 2017 (CGST Act), respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (IGST Act) (read with relevant rules prescribed thereunder)

Export of services under the GST law

Under the GST regime, supplies of goods and services which qualify as export of goods or services are zero-rated. On account of zero rating of supplies, the supplier is entitled to claim Input Tax Credit (ITC) in respect of input and input services used for such supplies and can seek refund of accumulated/ unutilized ITC.

GST law inter-alia allows export of services at zero rate on fulfilment of certain conditions. Exporters can export services under Letter of Undertaking (LUT) without payment of IGST and claim refund of accumulated ITC. There is also an alternative available to export services with payment of IGST and subsequently claim refund thereof, as per the provisions of section 54 of the CGST Act. We understand that the Company is undertaking exports of services without payment of tax under the cover of LUT. However, no refund is applied due to commercial viability.

II. Special indirect tax benefits available to shareholders of the Company under the Indirect tax laws

There are no special indirect tax benefits available to shareholders of the Company by virtue of their investment in the Company.

NOTES:

1. The Company does not have any material subsidiary.

2. The above Statement covers only certain possible special tax benefits under the Taxation Laws, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares

of an Indian company.

3. The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

4. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing taxation laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For **Bharti Hexacom Limited**

(Authorised signatory)

Date: March 22, 2024

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of telecom industry in India" dated March 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL, who were appointed by our Company pursuant to an engagement letter dated November 17, 2023 and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. The CRISIL Report is available on the website of our Company at https://www.bhartihexacom.in/ipo.html#. The data included in this Red Herring Prospectus includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. However, this section discloses the CRISIL Report in its entirety, and no material information, detail or data from the CRISIL Report has been excluded. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. See "Risk Factors – 37. We have used information from the CRISIL Report, which we commissioned for industry related data in this Red Herring Prospectus and any reliance on such information is subject to inherent risk." on page 55. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data" on page 30.

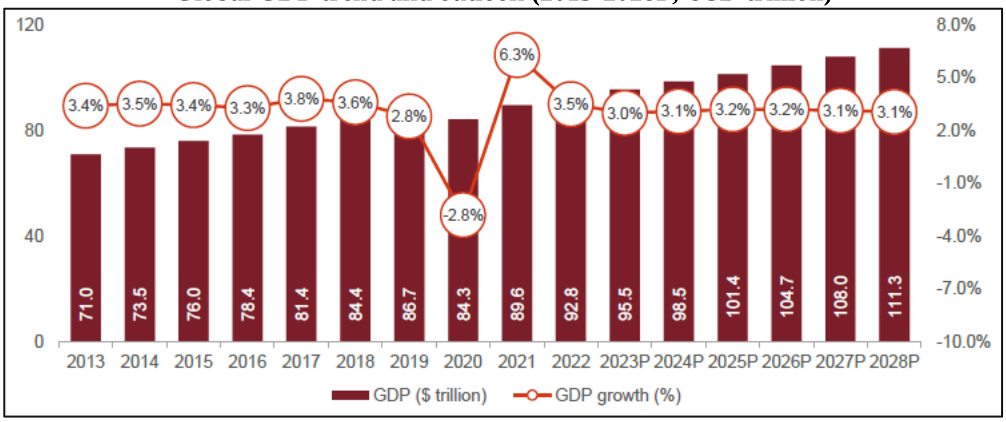
Global macroeconomic overview

Global GDP to grow 3.0% in 2023, 3.1% in 2024 amid tighter monetary policy

The International Monetary Fund ("**IMF**") estimates global gross domestic product ("**GDP**") growth to have moderated to 3.0% in 2023 from 3.5% in 2022. Global GDP growth is expected to increase by 10bps to 3.1% in 2024 before rising modestly by another 10bps to 3.2% in 2025, as per the 2023 World Economic Outlook of the IMF. The moderation is because of sluggish and uneven economic recovery owing to the long-term fallout of the Covid-19 pandemic, geopolitical tensions (ongoing Russia-Ukraine conflict and tensions in the Middle East starting with Israel-Hamas conflict to the US and UK attacking the Houthis in Yemen), increasing geoeconomic fragmentation and cyclical factors, such as effects of monetary policy tightening to curtail inflation, withdrawal of fiscal support across countries amid high debt levels, and increasing number of extreme-weather events.

Regions are seeing wide divergence in growth trends with economic activity falling short of the pre-pandemic trajectory in advanced economies and in some emerging and developing economies. But countries such as India, Indonesia and Vietnam have high growth potential.

Global GDP trend and outlook (2013-2028P, USD trillion)



P: Projected
Source: IMF economic database, World Bank national accounts data, Organisation for Economic Co-operation and Development (OECD) national accounts data, CRISIL MI&A

India among the world's fastest-growing large economies

India was the fastest-growing major economy in 2021, with a growth rate of 9.8%, followed by China at 8.5%. In 2022, India had logged healthy growth, with GDP expanding at 7.0% and overtaking the UK as the fifth-largest economy. In 2023, too, India's GDP is projected to have grown 7.6%, faster than that of China, as per the Second Advanced Estimate for Fiscal 2024 (calendar 2023) from the Ministry of Statistics and Programme Implementation ("**MoSPI**").

In 2024 and 2025, India's GDP is forecasted to grow 6.8% and 6.5%, respectively.

Emerging markets and developing economies are projected to post a stable growth of 4.1% in 2024, with a slight pick-up to 4.2% in 2025. Many emerging economies will continue to show resilience, led by domestic factors-driven economies such as India and Indonesia. China is a notable exception as it is facing growing headwinds from a real estate crisis and weakening household confidence.

In contrast, GDP growth of the advanced economies is estimated to have moderated to 1.6% in 2023 and is expected to moderate further to 1.5% in 2024 from 2.6% in 2022 before recovering to 1.8% in 2025 amid stronger US momentum.

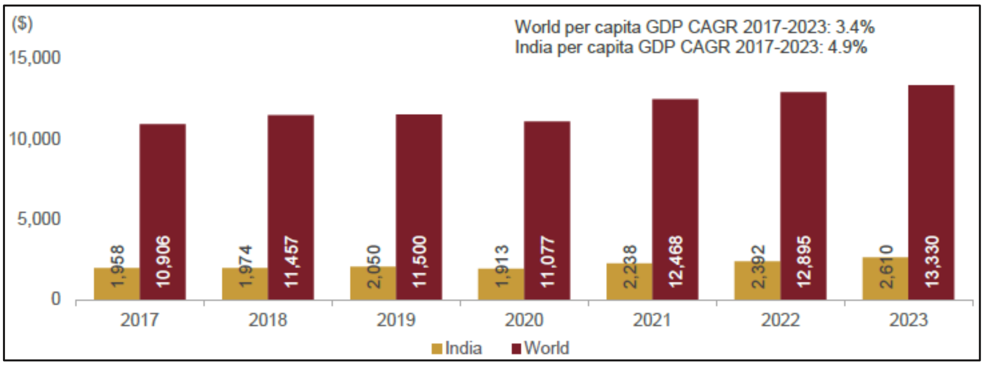
Real GDP growth by geography

Region	GDP, current prices (USD bn)	GDP growth rate											
	2022	2017	2018	2019	2020	2021	2022	2023P	2024P	2025P	2026P	2027P	2028P
US	25,462.7	2.2	2.9	2.3	-2.8	5.9	2.1	2.5	2.1	1.7	2.1	2.1	2.1
China	17,886.3	6.9	6.8	6.0	2.2	8.5	3.0	5.2	4.6	4.1	4.1	3.7	3.4
Euro area	14,150.7	2.6	1.8	1.6	-6.1	5.6	3.3	0.5	0.9	1.7	1.7	1.5	1.3
Japan	4,237.5	1.7	0.6	-0.4	-4.2	2.2	1.0	=	0.9	0.8	0.5	0.4	0.4
India*	3,389.7	6.8	6.5	3.9	-5.8	9.8*	7.0*	7.6*	6.8*	6.5	6.3	6.3	6.3
UK	3,081.9	2.4	1.7	1.6	-11.0	7.6	4.1	0.5	0.6	1.6	2.1	1.8	1.5
Indonesia	1,318.8	5.1	5.2	5.0	-2.1	3.7	5.3	5.0	5.0	5.0	5.0	5.0	5.0
Thailand	495.4	4.2	4.2	2.1	-6.1	1.5	2.6	2.5	4.4	2.0	3.0	3.0	3.0
Vietnam	406.5	6.9	7.5	7.4	2.9	2.6	8.0	4.7	5.8	6.9	6.8	6.8	6.8
World	**-**	**3.8**	**3.6**	**2.8**	**-2.8**	**6.3**	**3.5**	**3.0**	**3.1**	**3.2**	**3.2**	**3.1**	**3.1**

*P: Projected. * Numbers for India are for financial year (2020 is Fiscal 2021 and so on) and as per CRISIL's forecast for 2024 and as per the IMF's forecast for 2025 to 2028. India GDP estimate for the current Fiscal is 7.6% according to Second Advance Estimate from MoSPI. Note: Projection as per IMF update in January 2024.*
Source: IMF economic database, World Bank national accounts data, OECD national accounts data, CRISIL MI&A.

India's per capita GDP has been growing faster than the global average. Between 2017 and 2023, while the global GDP per capita logged a compound annual growth rate ("**CAGR**") of 3.4%, India's was higher at 4.9%, supported by investments in utilities, infrastructure and public administration and corporate revenue growth.

Per capita GDP at current prices



Source: IMF, CRISIL MI&A

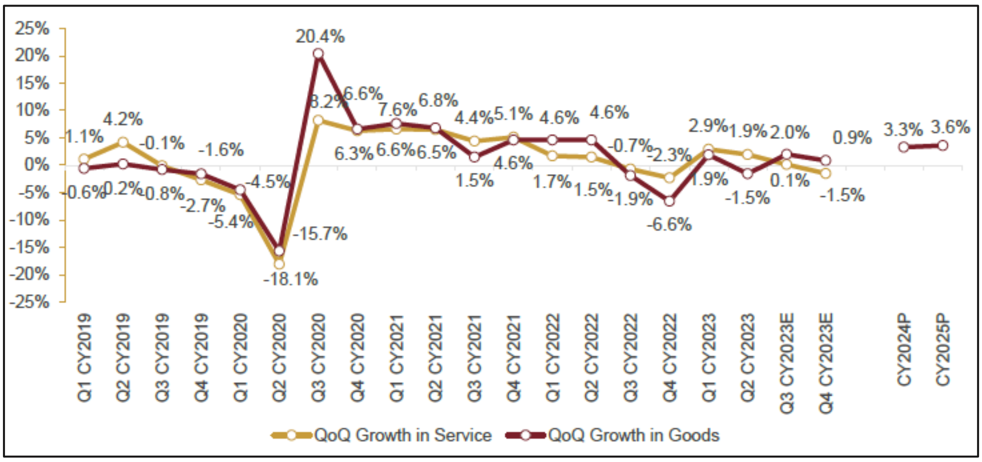
Global trade was relatively flat in 2023, likely to log moderate growth in 2024

Weak demand in developed countries, fall in commodity prices and slow GDP growth in some developing nations, especially in East Asian economies, affected global trade in 2023. However, the services sector trade grew in the first half of the year as recovery from the pandemic took effect with a lag. Tensions between the US and China have led to modest realignment of trade and financial flows, keeping trade growth largely rangebound.

Outlook for global trade in the current calendar is marked by uncertainty, though support is expected from demand for services, especially in the information and communication technology and travel and tourism sectors. Recovery in consumer demand and increased trade of green goods on account of transition towards a greener global economy would also boost overall global trade in 2024. Market capitalisation of green economy as defined by Financial Times Stock Exchange ("**FTSE**") Russell has increased from approximately 7% in 2019 to 9.2% in 2023. On the flip side, continuing geopolitical tensions, high interest rates, corporate and government debt and commodity prices; inflationary pressures; and widespread economic fragility would potentially affect trade patterns. The World Trade Organization expects goods trade to grow in 2024, with Asia being the fastest-growing region and world merchandise (goods) volume growing 3.3% (compared to 0.8% in 2023).

Overall, world trade growth is projected at 3.3% in 2024 and 3.6% in 2025, below its historical average growth rate of 4.9%. Rising trade distortions such as Red Sea crisis and resulting high shipping cost and longer trade routes and geoeconomic fragmentation are expected to continue to weigh on the level of global trade.

Global quarterly trade of goods and services

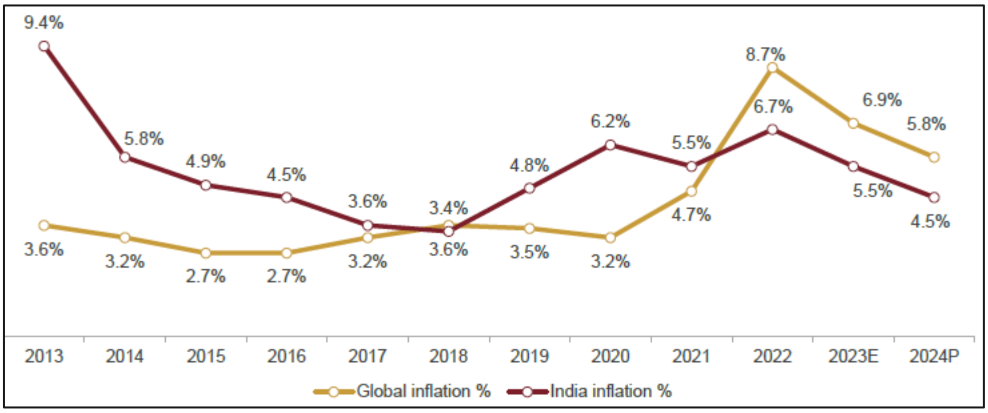


E: estimated; P: projected
Source: World Trade Organization, UNCTAD Global Trade Update, CRISIL MI&A

Inflation expected to ease slightly in 2024

In 2022, global inflation hit a high of 8.7%, with advanced economies fanning the rise. Factors such as the Russia-Ukraine conflict which impacted global supply chains, long-term impact of the pandemic, shrinking of the workforce and high energy prices sharply drove up prices of goods and services. Demand-related factors, including extensive government stimulus expenditure in the US, pent-up consumer demand and accumulated savings from the pandemic, also boosted inflation. Going forward, easing of supply-chain disruptions and softening of commodity prices are expected to cool inflation globally. While global inflation is expected to ease slightly to 5.8% in 2024 from 6.9% in 2023, it will still be higher vis-à-vis the last decade.

Global inflation trend



E: Estimated; P: Projected; Source: IMF World Economic Outlook, CRISIL MI&A

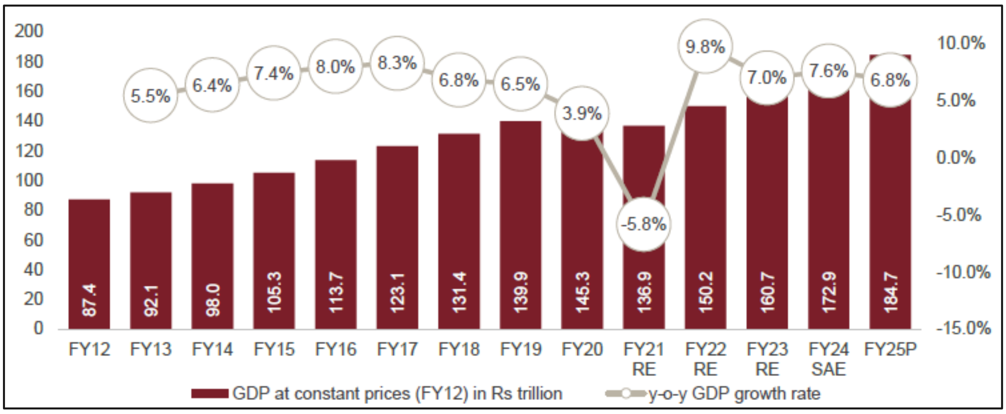
India macroeconomic overview

India GDP to grow 7.6% in Fiscal 2024, 6.8% in Fiscal 2025

India's GDP logged a 5.7% CAGR between Fiscals 2012 and 2023 from ₹ 87.4 trillion to ₹ 160.7 trillion. In Fiscal 2021, the GDP had contracted 5.8% because of the pandemic's impact. In Fiscal 2022, the economy recovered from pandemic-related shocks, though the last quarter saw inflation spiralling up because of the ongoing Russia-Ukraine conflict. GDP grew a robust 9.8% with economic activity resuming and healthy trade flows. In Fiscal 2023, growth printed at 7.2%, propelled by domestic demand, increased investment outlay by the government and private consumption.

In Fiscal 2024, growth is expected to be 7.6%, as per the MoSPI's Second Advance Estimates (SAE). A higher growth during the nine months of Fiscal 2024 (first quarter at 8.2%; second quarter at 8.1% and third quarter at 8.4%) led to upward revision of GDP growth estimates for the Fiscal. Growth in Fiscal 2024 is driven by year-on-year growth in fixed investments at 10.2% and sharp rise in net taxes on products at 15.5%. In Fiscal 2025, CRISIL expects the country's GDP to moderate and expand at 6.8%, driven by the manufacturing sector, strong growth in investments and resilient domestic demand.

India real GDP growth at constant prices (new series)



RE: revised estimates, SAE: Second Advance Estimates; P: projected
Source: Central Statistics Office (CSO), MoSPI, CRISIL MI&A

Consumption expenditure largest contributor to GDP

Private final consumption expenditure ("**PFCE**") has been the largest component of India's GDP historically. In the current Fiscal, it is estimated to contribute 55.9% to the GDP. Between Fiscals 2012 and 2024, PFCE is expected to log a CAGR of 5.8%. The increasing share of discretionary spending from Fiscal 2012 suggests rise in disposable income and spending capacity of households. In the medium to long term, positive economic outlook and growth across key employment generating sectors (such as real estate, infrastructure and automobiles) are expected to have a cascading effect on overall per capita income. This, in turn, is expected to drive discretionary spending.

Broad split of PFCE into basic and discretionary spending

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021 RE	Fiscal 2022 RE	Fiscal 2023 RE	Fiscal 2024 SAE	CAGR Fiscal 2012-Fiscal 2024
PFCE (Rs trillion)	49.1	51.8	55.6	59.1	63.8	69.0	73.3	78.5	82.6	78.2	87.3	93.2	96.1	5.8%
Share of PFCE in GDP	56.2%	56.2%	56.7%	56.2%	56.1%	56.1%	55.8%	56.1%	56.8%	57.2%	58.5%	58.3%	55.9%	-
Share of discretionary spending in PFCE	53.4%	53.2%	52.7%	54.8%	57.1%	57.0%	58.3%	59.3%	59.6%	56.6%	57.9%	N.A	N.A	-

RE: Revised estimates, SAE: Second Advance Estimates
N.A – not available; PFCE data is from the latest available National Account Statistics 2023; discretionary items include education, healthcare, electricity, water supply, footwear, personal care products, processed foods, alcoholic and non-alcoholic beverages, tobacco, narcotics, fuel and gas, furnishing and household equipment, vehicle and personal transportation, spending on recreation and culture, communication, restaurants and hotels, financial insurance and other financial services, and other items not elsewhere classified. The remainder is contributed by basic items, which include food, clothing and housing.
Source: MoSPI, CRISIL MI&A

India's per capita net national income ("NNI") is on an upward trajectory

India's per capita NNI, a broad indicator of living standards, is estimated to increase to ₹ 106,134 in Fiscal 2024 from ₹ 63,462 in Fiscal 2012, logging 4.4% CAGR at constant price, led by better job opportunities, overall GDP expansion and a stable CAGR of approximately 1% in population.

Per capita NNI at constant prices

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021 RE	Fiscal 2022 RE	Fiscal 2023 RE	Fiscal 2024 SAE	CAGR Fiscal 2012-2023
Per capita NNI (Rs)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	94,054	99,404	106,134	4.4%
y-o-y growth %		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-9.7	10.5	5.7	6.8	-

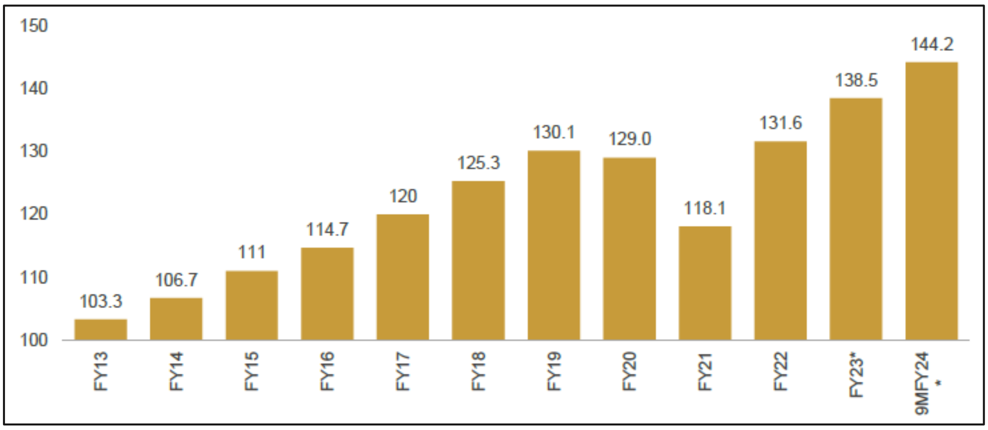
RE: Revised estimates, SAE: Second Advance Estimates, Definition: Gross national income (GNI) = GDP + taxes less subsidies on production and imports at market prices (net receivable from abroad) + compensation of employees (net receivable from abroad) + property income (net receivable from abroad); NNI = GNI at market prices – consumption of fixed capital; Source: Provisional Estimates of Annual National Income, 2022-2023, CSO, MoSPI, CRISIL MI&A

IIP rebounded strongly last Fiscal, and in the nine months of Fiscal 2024

India's Index of Industrial Production ("**IIP**") posted a steady increase to 144.2 in the nine months of Fiscal 2024 and 138.5 in Fiscal 2023 compared with 103.3 in Fiscal 2013, indicating rising economic activity in the country. In fact, the Fiscal 2022 print of 131.6 was also an improvement from 129.0 in Fiscal 2020 and 118.1 in Fiscal 2021 as pandemic-related challenges were tackled with government stimulus, leading to an increase in consumer demand, reflected by growth in private consumption expenditure, and strong recovery in industrial activity.

Within the IIP basket, the manufacturing sector, which is a significant contributor to the country's overall industrial growth, had 78% weightage as of Fiscal 2023, while mining and electricity accounted for 14% and 8%, respectively. IIP for the manufacturing sector increased to 142.5 in the nine months of Fiscal 2024 and 137.1 in Fiscal 2023, from 131.0 in Fiscal 2022, indicating industrial activity was holding up with resilient domestic demand.

All-India IIP with base year Fiscal 2012



**Figures for Fiscal 2023 and nine months of Fiscal 2024 are provisional as provided by MoSPI; Source: MoSPI, CRISIL MI&A*

India's trade deficit to moderate in Fiscal 2024

In Fiscal 2023, India's merchandise exports increased 17% year-on-year to ₹ 36.8 trillion and services exports, increased 40% to ₹ 26.6 trillion. Overall exports rose 26% to ₹ 63.4 trillion from ₹ 50.4 trillion in Fiscal 2022.

Imports rose a sharper 30% year-on-year to ₹ 73.4 trillion from ₹ 56.6 trillion as merchandise imports increased 29% to ₹ 58.8 trillion and services imports rose 34% to ₹ 14.6 trillion. The rise in imports was led by crude oil products, coal, coke, briquettes, and transport equipment. This led India's overall trade deficit to widen to ₹ 10.0 trillion from ₹ 6.2 trillion. Services trade surplus remains robust in Fiscal 2024 and remittances are expected to stay healthy. Hence, CRISIL expects India's current account deficit, which was 2.0% of GDP in Fiscal 2023, to soften to 1.8% in Fiscal 2024.

Merchandise and service trade in India

₹ trillion		Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR Fiscal 2018-Fiscal 2023
Merchandise	Exports	19.5	23.1	22.2	21.7	31.4	36.8	13.5%
	Imports	29.6	35.5	33.7	29.3	45.7	58.8	14.7%
Services	Exports	11.3	14.3	15.1	15.3	19	26.6	18.7%
	Imports	6.8	8.7	9.1	8.7	11	14.6	16.5%
Overall trade	Exports	30.8	37.4	37.3	37	50.4	63.4	15.5%
	Imports	36.4	44.1	42.8	38	56.6	73.4	15.0%
	Trade balance	-5.6	-6.7	-5.4	-1.0	-6.2	-10.0	12.2%
Current account deficit (CAD) as % of GDP	-1.8	-2.1	-0.9	0.9	-1.2	-2.0	Not applicable	

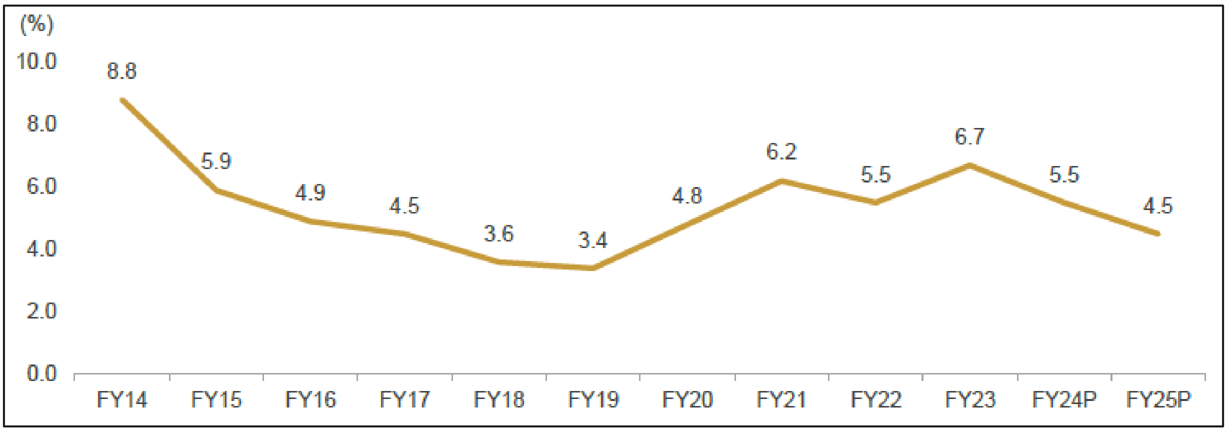
Note: CAD / GDP, if positive figure, indicates surplus and if negative figure, indicates deficit
Source: Ministry of Commerce and Industry, RBI, CRISIL MI&A.

CPI inflation to soften to 5.5% in Fiscal 2024 and 4.5% in Fiscal 2025

In May 2016, the RBI adopted flexible inflation targeting ("**FIT**"), setting the numerical target for Consumer Price Index ("**CPI**")-based inflation at 4% with a tolerance band of +/- 2%. Broadly speaking, CPI has eased from a high of 8.8% last decade. Between Fiscals 2017 and 2023, inflation was within the tolerance band, except in Fiscal 2021 (CPI of 6.2%), owing to pandemic-led supply-side disruptions, and in Fiscal 2023 (6.7%), because of rise in food inflation, supply disruptions on account of Russia-Ukraine conflict and capital outflows impacting India's exchange rate and import bill.

CRISIL expects CPI to ease to 5.5% in Fiscal 2024, driven by normal monsoon and reducing food prices. In Fiscal 2025, CPI inflation is forecasted to be at 4.5%. A combination of factors — impact of rising interest rates on domestic demand, a global demand slowdown leading to falling international commodity prices, and the base effect — should lower inflation.

CPI inflation trend

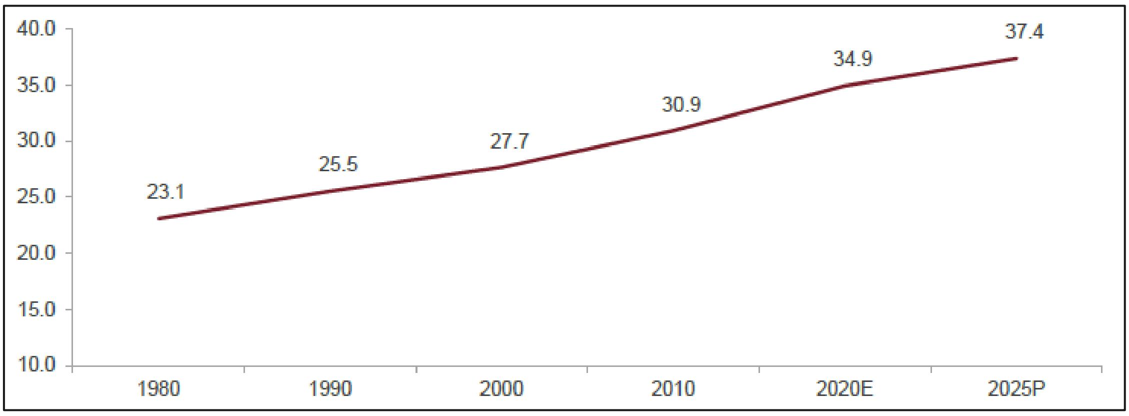


P: Projected; Source: CRISIL MI&A Consulting

Urbanisation and rise in income will drive long-term growth

Urbanisation has been one of the crucial growth drivers for the Indian economy. Going forward, rise in urbanisation is projected to drive substantial investments in infrastructure development, which, in turn, is expected to create jobs, develop modern consumer services, and increase ability for consumption expenditure and saving investments. In calendar year 1980, 23.1% of the country's total population was urban. The share of urban population rose to 34.9% in 2020 and is estimated to reach 37.4% in 2025, as per the World Urbanization Prospects: The 2018 Revision (UN).

Urban population as a percentage of total population

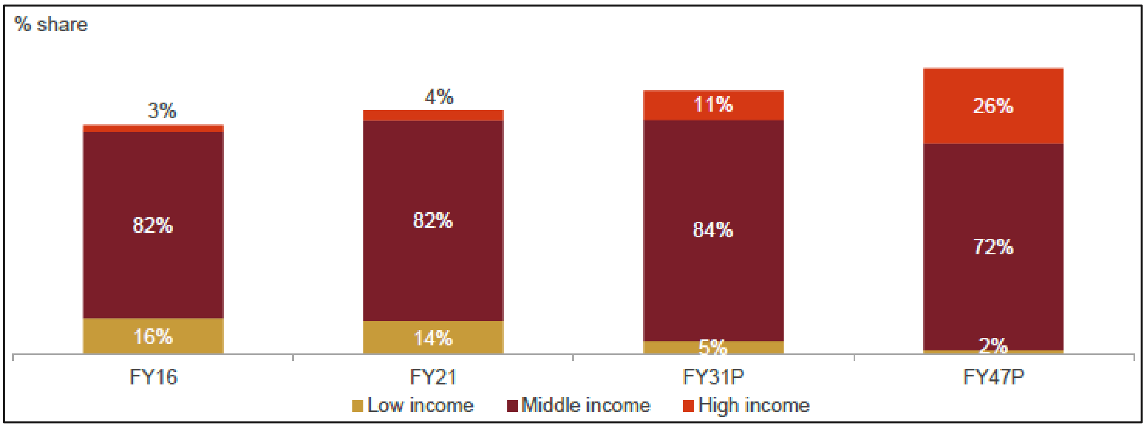


E: Estimated; P: Projected; Source: Census 2011, World Urbanization Prospects: The 2018 Revision (UN)

Decline in poverty indicates rise of middle-income population

The proportion of poor in India (defined as those living on ₹ 125,000 per annum or less) declined from approximately 16% in Fiscal 2016 to approximately 14% in Fiscal 2021. Conversely, the proportion of those in the middle- and high-income groups increased from 85% to approximately 86%. By Fiscal 2031, this share is expected to reach approximately 95%, supported by growth in per capita income.

Income-based split of the population



P: Projected
Note: Low-income group comprises those earning less than ₹ 125,000 per annum; middle-income group comprises those earning between ₹ 125,000 and ₹ 3 million per annum, and high-income group comprises those earning more than ₹ 3 million per annum; percent figures are rounded off.
Source: People Research on India's Consumer Economy (ICE) 360° survey, CRISIL MI&A

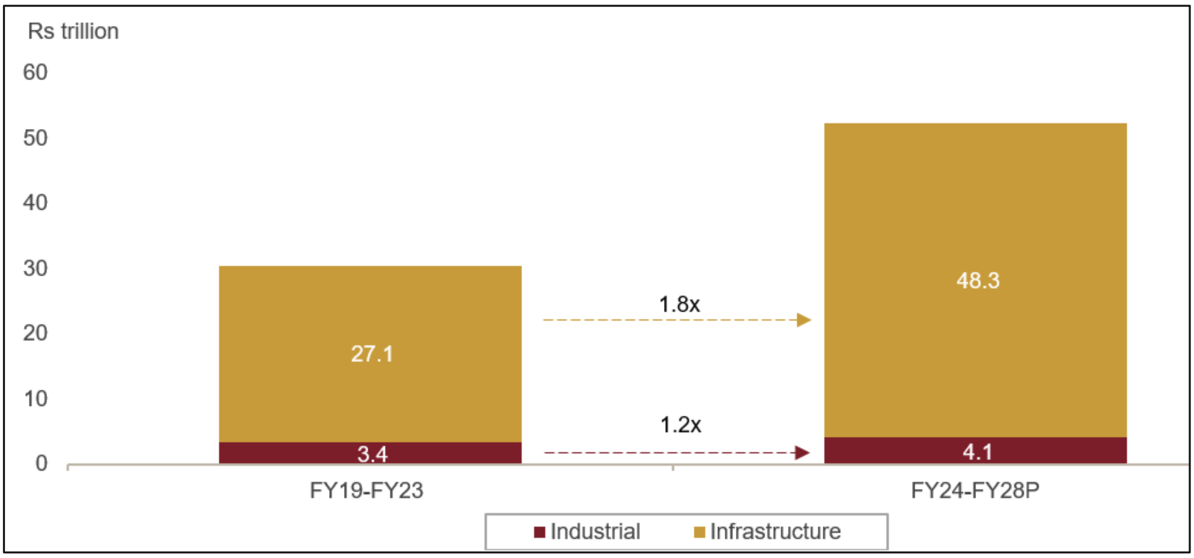
Sustained infrastructure and government spending to support domestic demand

To boost the economy, the government has placed great emphasis on capital and infrastructure investments. Between Fiscals 2019 and 2023, infrastructure investment logged 13% CAGR, rising to approximately ₹ 7.0 trillion. It is estimated to grow further at 12%-16% in Fiscal 2024 and 8-10% in Fiscal 2025. CRISIL expects infrastructure investment in Fiscals 2024-2028 to be 1.8x that in Fiscals 2019-2023. This infrastructure push would lead to improved physical connectivity and lower logistics cost for industries.

Starting Fiscal 2021, the government also introduced Production-Linked Incentive (PLI) schemes for various sectors. These schemes are aimed at integrating the existing manufacturing value chain to reduce import dependence and improve competitiveness of domestic products, which, in turn, would boost exports. PLI schemes in 14 sectors, including mobiles, telecom and information technology (IT) hardware, have been announced. As per government estimates, a total incentive of ₹ 1.8 trillion would be provided, spurring a capital spend of ₹ 2.5-3.0 trillion and generating a revenue of approximately ₹ 30 trillion. Of the total estimated PLI capex, the mobile sector accounts for 11.6%, telecom 5.0% and IT hardware 2.5%.

Industrial capex has also received a leg-up from government policies and new-age opportunities. CRISIL expects industrial capex in Fiscals 2024-2028 to be 1.2x that in Fiscals 2019-2023.

Construction investments across infrastructure and industrial segments in India

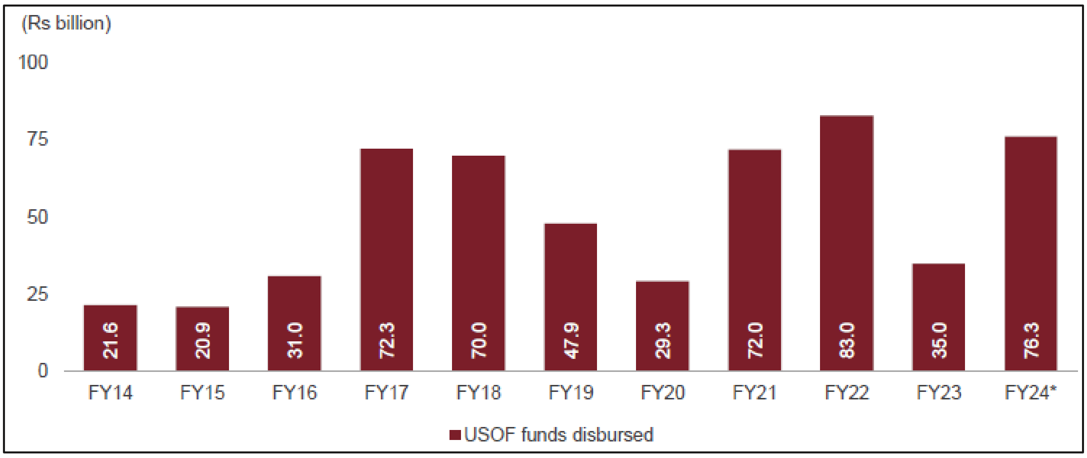


Source: CRISIL MI&A

India's economic growth is also being supported by investments in the telecommunications sector. Between Fiscals 2017 and 2024, the government's budget allocation towards the Department of Telecommunications (DoT) logged a CAGR of 22.3%, led by higher allocation towards the Universal Service Obligation Fund (USOF) and DoT projects, which include allocation towards domestic industry incentivisation schemes (such as PLI) and wireless planning and coordination. For Fiscal 2024, ₹ 975.8 billion was allocated to the telecommunication ministry, which is approximately 2% of the overall budget and up 19% year-on-year. Of this, ₹ 530.0 billion was capital infusion in BSNL.

USOF fund was started by the Government of India in 2003 to provide telecom services (including mobile services, broadband connectivity, and ICT infrastructure creation - added in 2006) for rural and remote areas in India. Under USOF, some projects are allotted to various mobile service providers for providing mobile network in the country especially in rural and remote areas. Under USOF, approximately ₹ 559 billion has been cumulatively disbursed from Fiscal 2014 till December 2023 under various projects.

USOF funds disbursed



*Note: * as on December 31, 2023*
Source: Universal Service Obligation Fund, Department of Telecommunications, Ministry Of Communications, Government Of India, CRISIL MI&A

Additionally, the budget allocation towards the Digital India programme, which includes electronic governance, capacity building and skill development, manpower development, promotion of electronics and IT hardware manufacturing, and promotion of digital payments, among others, has also seen a cumulative investment of approximately ₹ 290 billion since Fiscal 2017 with approximately ₹ 48 billion budgeted for Fiscal 2024. This underscores the government's commitment towards building the country's digital infrastructure.

Digital payments growing at rapid pace

Rapid digital transformation has been fundamentally reshaping the Indian economy. At the crux of this advancement is the Digital India initiative launched by the government in July 2015 to transform the country into a knowledge-based economy and a digitally-empowered society. Encapsulating the vision of digital infrastructure as a core utility for citizens, governance and services on demand, and digital empowerment of citizens, the initiative has deepened digitalisation in rural areas, fuelling the digital economy. Fast and dependable mobile communication networks are helping the government achieve Digital India's targets.

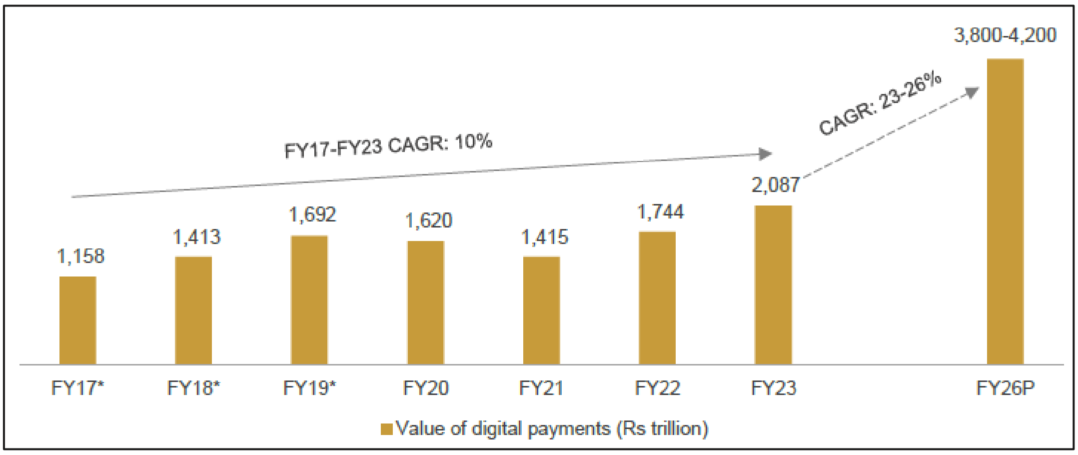
Technological upgrades have facilitated essential digital services such as the Unified Payment Interface (UPI)/digital payments and incorporated several e-governance services in government-to-business (G2B) and government-to-citizen (G2C) applications, leading to citizen empowerment.

In fact, digital payments in the country have vaulted over the past few years. The value of digital payment transactions increased from ₹ 1,158 trillion in Fiscal 2017 to ₹ 2,087 trillion in Fiscal 2023, at a CAGR of 10%. Their share in overall payment transactions increased from 62% in Fiscal 2017 to 97% in Fiscal 2023. The volume of digital transactions increased from 19.3 billion in Fiscal 2017 to 114.0 billion in Fiscal 2023, at a CAGR of 34%. Digital transactions are expected to clock a robust CAGR of 23-26% between Fiscals 2023 and 2026 to reach ₹ 3,800-4,200 trillion in value.

The share of UPI transactions in total digital payments, in value terms, increased from 4.8% in Fiscal 2022 to 6.7% in Fiscal 2023, as the value of UPI transactions increased from ₹ 84.2 trillion to ₹ 139.2 trillion. The rise in UPI transactions can be attributed to the platform's seamless integration with diverse banking systems and compatibility with numerous third-party apps. Its open architecture empowers developers to craft innovative solutions, fostering a robust ecosystem of UPI-enabled apps providing diverse services. Sustained investments and continued strong growth in use of financial services over the digital mode augur well for proliferation of data.

The RBI is the primary enabler of digital transactions in the country. Over the years, it has laid emphasis on the development of a digital payment ecosystem, right from conceptualisation to execution and propelling investments in technology to enable seamless customer transactions. Simultaneously, it has been making efforts to address security concerns. This, along with rising internet penetration, increasing usage of cards and e-commerce, acceptance and adoption of various payments infrastructure with merchants and customers, launch of the digital rupee and changing consumer behaviour, is expected to drive the growth of digital transactions in the country.

Value of digital payments



P: Projected

*Note: Digital payments from Fiscal 2020 onwards (as reported by the RBI) include RTGS payments, credit transfers (AePS, APBS, ECS Cr, IMPS, NACH, NEFT), debit transfers (BHIM, ECS Dr, NACH Dr, NETC), card payments (debit and credit cards), and prepaid payment instruments (PPIs). *The RBI changed its reporting format in Fiscal 2020, hence, for Fiscals 2017-19, the number is calculated based on segregated RBI payments data. It includes RTGS (customer and interbank transactions), retail electronic clearing (ECS Dr, ECS Cr including NECS, EFT/NEFT, IMPS, NACH), cards (credit and debit cards), PPIs (m-Wallet, PPI cards) and mobile banking.*

Overview of the global telecom industry

A consolidated industry, driven by economies of scale

The telecom industry is capital intensive and highly competitive. Players undertake mergers and acquisitions (M&As) to not only survive but also upgrade technologically, expand the customer base and widen product diversification. Acquisitions in the sector primarily involve horizontal integration as the companies aim to gain competitive advantage by acquiring competitors. Fewer market players lead to economies of scale and reduction in the overlapping infrastructure. This lowers operational expenses and allows more efficient use of capital investments. In most key countries, 2-5 telecom companies dominate the sector. A few examples are tabled below.

Countries	Top telecom companies
Australia	Telstra, Optus, TPG Telecom, Superloop, Macquarie Telecom Group

Countries	Top telecom companies
Brazil	Claro, Telefônica, TIM
China	China Mobile, China Telecom, China Unicom
France	Orange, SFR, Bouygues Telecom, Free Mobile
Germany	Deutsche Telekom, Vodafone, O2 Telefónica
Japan	NTT DOCOMO, KDDI Corp, Softbank Corp, Rakuten Inc
Hong Kong	China Mobile Hong Kong, Hong Kong Telecommunications, SmarTone Mobile, Hutchison Telephone, 21 ViaNet
India	Bharti Airtel, Reliance Jio, Vodafone Idea, BSNL, MTNL
Spain	Vodafone Spain, Orange Spain, Movistar Telefónica, Yoiga
United States	Verizon, AT&T, T-Mobile
Middle East	Emirates Telecommunications Corporation, Emirates Integrated Telecommunications Company PJSC, Saudi Telecommunication Company (STC), Etihad Etisalat (Mobily), Zain

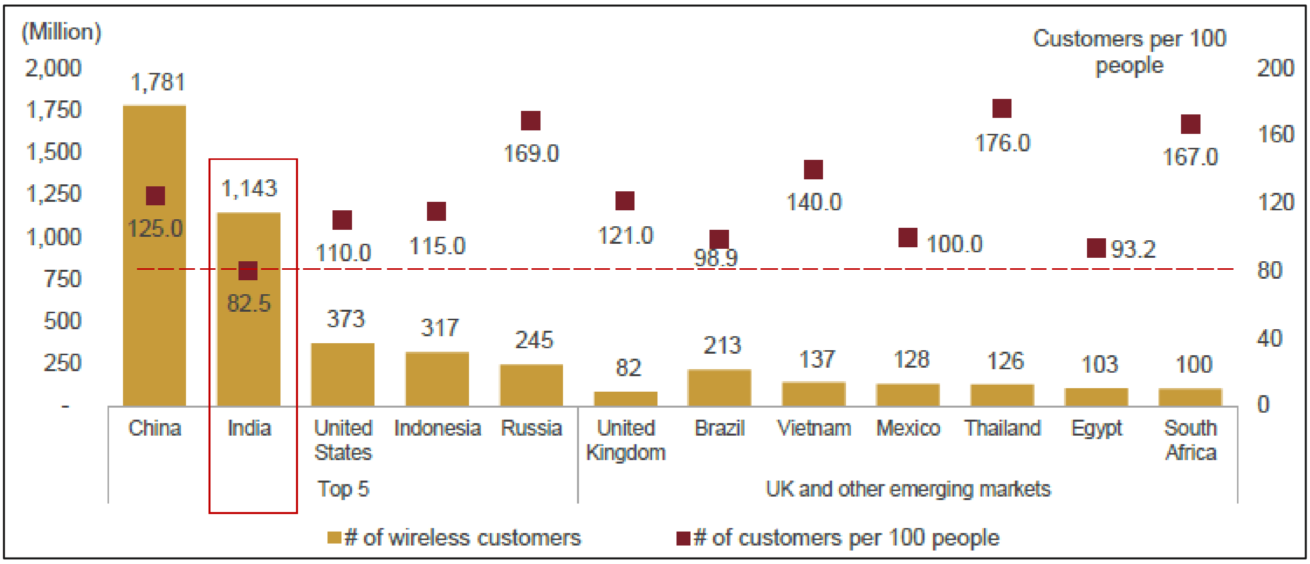
Source: Secondary research, CRISIL MI&A

China and India are the top two telecom markets by customer base

China is the largest telecom market, with 1,781 million wireless customers as of 2022. India follows with 1,143 million wireless customers as of 2022.

India has emerged as one of the five fastest-growing wireless telecom markets, with its customer base clocking 2.9% CAGR between calendar years 2013 and 2022. However, at 82.6 as of 2022, India's wireless customers per 100 people is the lowest among the top five wireless markets as well as among emerging markets, indicating potential for further growth.

Mobile telecom customers – India is among the largest telecom markets



Source: International Telecommunication Union (ITU), CRISIL MI&A

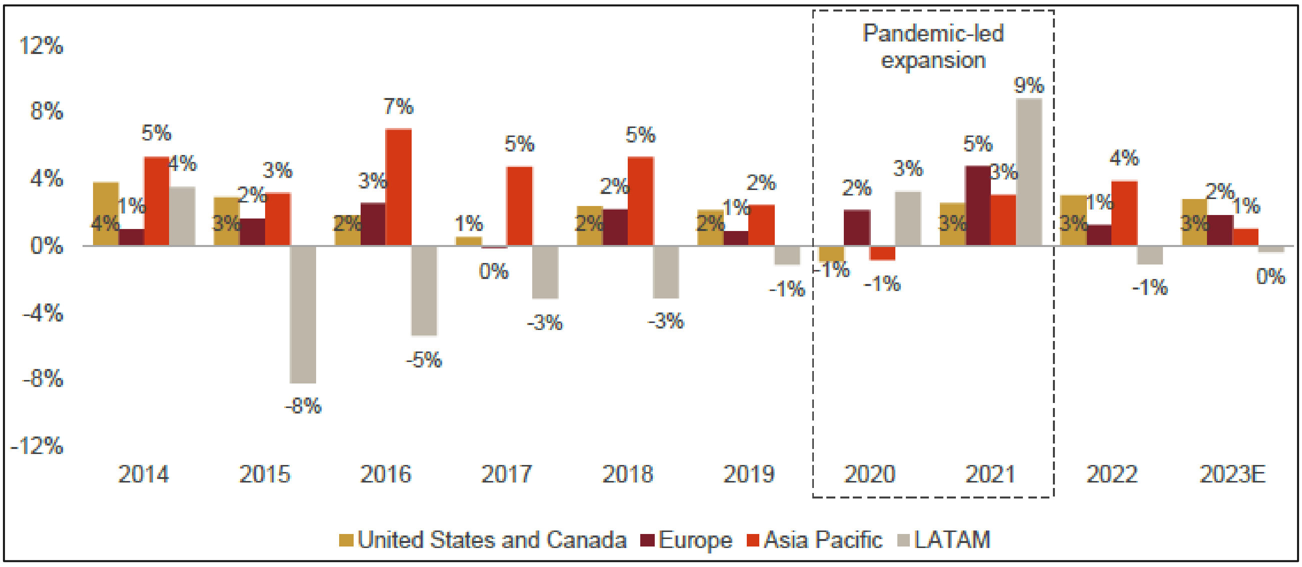
Mobile telecom customers – India registered healthy growth among global peers

Countries	Penetration (per 100 people)				Wireless customers (million)		
	Fixed telephone customer	Fixed broadband customer	Individuals using Internet	Mobile wireless customer	Telecom customers in 2013	Telecom customers in 2022	2013-2022 CAGR (%)
China	12.6	41.4	75.6	124.9	1,229.1	1,780.6	4.2%
Thailand	6.1	18.5	88.0	176.3	93.8	126.4	3.4%
South Africa	2.2	3.3	72.3*	167.4	76.9	100.3	3.0%
India	1.9	2.4	46.3*	82.5	886.3	1,142.9	2.9%
United States	27.1	37.6	91.8*	110.2	310.7	372.7	2.0%
Mexico	21.3	19.5	75.6*	100.3	106.7	127.9	2.0%
Russia*	16.4	23.7	90.4	169.0	218.3	245.3	1.3%

Countries	Penetration (per 100 people)				Wireless customers (million)		
	Fixed telephone customer	Fixed broadband customer	Individuals using Internet	Mobile wireless customer	Telecom customers in 2013	Telecom customers in 2022	2013-2022 CAGR (%)
Vietnam	2.4	21.7	78.6	139.9	123.7	137.4	1.2%
Egypt	10.5	9.8	72.2	93.2	99.7	103.5	0.4%
Indonesia	3.1	4.9	66.5	114.9	313.2	316.6	0.1%
Brazil	12.7	21.0	80.5	98.9	271.1	212.9	-2.6%
UK	44.1	41.5	96.7*	120.8	78.7	81.6	0.4%

*Note: * Data on individuals using the internet in the US, UK, South Africa, India and Mexico is for 2021. Data for Russia is for 2021. ITU calculates individuals using internet taking into account the teledensity to avoid double counting of multiple mobile SIM users.*
Source: ITU, World Bank, CRISIL MI&A

Global mobile customers' year-on-year growth



E: Estimated; Source: CRISIL MI&A

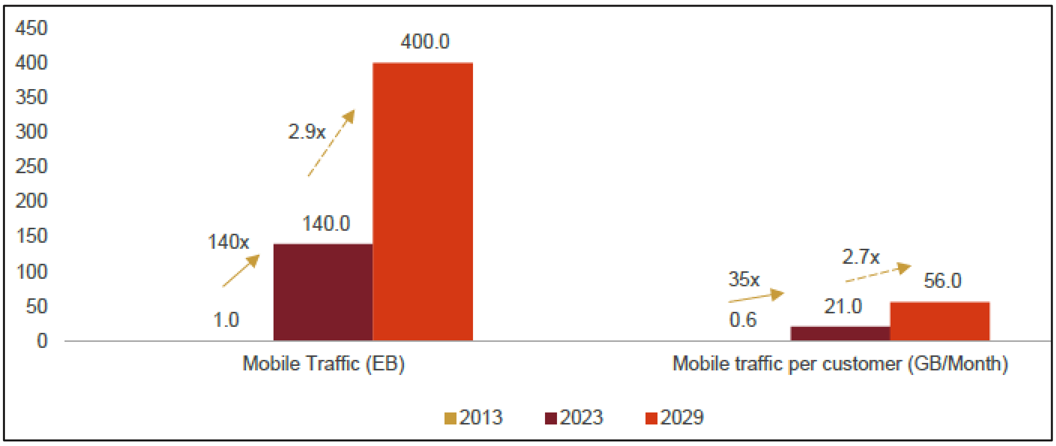
Mobile data traffic has increased exponentially in the last 10 years

Growth in the digital economy has encouraged people to rely more on digital applications for commonplace activities, leading to rise in mobile users and data consumption. Overall mobile customers' growth has been in the range of 2-4% CAGR across regions during the last ten years. However, growth was higher during the pandemic.

Global mobile traffic per customer increased from 0.6 GB/customer/month in 2013 to 21.0 GB/customer/month in 2023, logging 35x growth in data consumption. The Ericsson Mobility Report estimates an increase of 140x in mobile traffic over the past decade as global mobile data traffic increased from 1 exabyte (EB)/month in 2013 to 140+ EB/month in 2023. Factors driving data traffic growth in mobile networks include ever-increasing demand for online digital services, 4G/5G deployment across telecom markets, increased network capacity with new generation of mobile technology, improved quality of experience and affordable plans. In 2023, approximately 73% of the downlink data was consumed for digital video content across platforms.

Global mobile data traffic is expected to cross 400 EB/month by 2029, as per the Ericsson Mobility Report 2023. Long-term data traffic growth is driven by rise in smartphone customers and increasing average data consumption per customer, which are fuelled by increased viewing of video and over-the-top (OTT) content, video-calling, usage of cloud storage, e-commerce shopping, social media and app consumption, digital financial transactions and e-learning.

Global mobile data consumption growth



Source: Ericsson Mobility Report 2023, CRISIL MI&A

Heading towards 5G

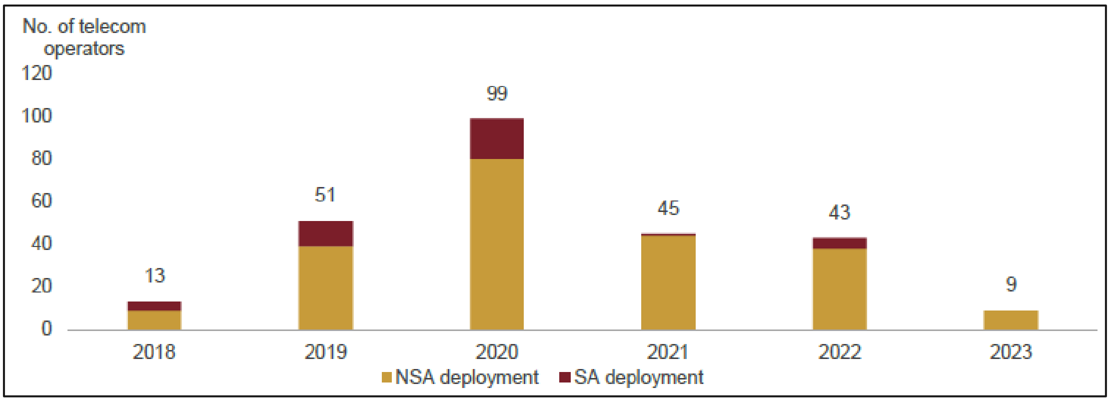
The digital world is moving towards 5G data. After the rollout of 4G services in 2010, many global markets have transitioned to 5G services starting 2019, with the total number of operators with active commercial 5G services at 249 across 97 markets as of August 2023.

For 5G services, telecom companies have two deployment options — non-standalone (NSA) and standalone (SA). NSA has been the widely chosen network architecture, as approximately 85%, of telecom operators worldwide initiated 5G deployment based on the NSA architecture.

However, in select markets such as the US and China, operators are exploring and transitioning to SA. As of June 2023, at least 57 operators in 33 markets worldwide have activated 5G SA networks according to S&P Global Market Intelligence 5G tracker. Other markets, though, are yet to follow, as 5G adoption is limited to few applications.

Nevertheless, 5G is still in an infancy stage in terms of monetisation and maturity of use cases.

5G deployment – NSA and SA



Source: News articles, company filings, CRISIL MI&A

Global telecom industry leveraging on 5G to carve out new revenue streams

The mobile telecom industry is now a key cog of businesses following the proliferation of internet of things (IoT) and smart devices. In fact, advances in mobile technologies such as 5G and edge computing will only deepen this link, driving new applications in automotive connectivity and solutions by enterprises, as well as in the consumer retail and financial sectors.

Higher bandwidth and gigabit-speed networks have prompted significant changes and introduced opportunities for operators to effectively position their mobile business, even though demand for 5G remains nascent. Operators are, in fact, leveraging 5G to carve out new revenue streams. Private 5G networks, network slicing and edge computing are some of the new technologies enabling this transition.

On the demand front, realisation of 5G use cases is expected over time. Voice over long-term evolution, for instance, took almost five years after the commercialisation of 4G — even 10 years in some international markets. A similar trend is expected in 5G. Ultra-high definition streaming, 3D video, augmented reality/virtual reality, autonomous driving, connected ambulance and remote surgery are representative use cases of 5G that were stated in ITU-R's 5G Vision Recommendation but have not yet become mainstream. Demand for 5G will pick up with development and mainstreaming of the 5G ecosystem.

Some of the 5G use cases being tested globally include:

Connected ambulance: Technological innovations like the 5G-connected ambulance are letting medical staff help patients before they reach the hospital. 5G connectivity and the latest medical technologies allow medical staff to share patient's vitals and symptoms in real-time with the hospital. High-resolution video calling between the ambulance and hospital gives doctors a better understanding of the kind of emergency involved, aiding timely patient care.

Connected traffic system: Ecosystem of connected cars with traffic system can provide information that can be used to warn the users of congested traffic, incidents, and other hazards that they might be heading towards. This can be enabled through dynamic data exchange between vehicles and traffic systems using 5G connectivity. This can help to improve safety and drive energy efficiency.

Assessment of the Indian telecom industry

Telecommunication has been playing a pivotal role in country's economic growth. It is the backbone of many industries, including e-commerce, media and entertainment, finance, information and technology (IT), healthcare, transportation, and logistics. The sector facilitates seamless movement of data worldwide through wired or wireless channels and significantly influences economic progress. The telecom market is constantly evolving with integration of cutting-edge technologies over the years. This has widened the coverage of telecom services globally and made them an indispensable part of the daily lives of consumers. Telecom proved to be an essential service, especially during the Covid-19 pandemic, by enabling people to remain connected amid worldwide lockdowns.

The telecom industry mainly comprises wireless services, or mobile services, and wireline services, or fixed-line services. In India, wireless services accounted for 97.3% of total telecom customers and wireline services for the remaining 2.7% as of the nine months of Fiscal 2024.

Telecom sector is characterised by high entry barriers

A regulated environment, high capital requirements and dominance of existing players in a consolidated market deter new players from entering the telecom industry.

Spectrum is regulated and available through DoT auction

In India, spectrum auctions are held for 22 telecom circles and a telecom company needs to acquire spectrum in each circle to provide comprehensive coverage to its consumers. Operators also need to acquire a unified license with authorisations for access services in each circle before they participate in auctions. So, if a new telecom company plans to launch services in a particular region, it will have to buy both spectrum and a licence for the entire circle. Further, it would have to either wait for spectrum auction or acquire a telecom company with a spectrum portfolio. Currently, acquisition costs are prohibitive given significant consolidation in the domestic industry.

High capital investments vital for sustaining telecom services

Telecom players require substantial capital to purchase spectrum through government auctions and establish and maintain their network infrastructure. Further, the telecom industry remains susceptible to rapid technological changes, necessitating fresh investments or significant overhaul of existing networks.

The industry spent ₹ 1,500 billion during the 5G auction in 2022, with Reliance Jio, Bharti Airtel and Vodafone Idea accounting for ₹ 800.8 billion, ₹ 430.4 billion and ₹ 188.0 billion, respectively. Further, Indian telecom operators have spent nearly ₹ 3,000 billion since 2014 to acquire spectrum across various bands.

The telecom sector has low average asset turnover ratio of 0.3 times (Fiscals 2020-23), indicating high capex requirements on a sustained basis. Capex intensity is high and estimated at approximately 30% of total revenue in Fiscal 2023 and approximately 25% in Fiscals 2024 and 2025.

Even network opex was 25-30% of revenue based on data collated for industry players over Fiscals 2021-2023. Thus, the telecom industry's high capital intensity acts as a strong entry barrier for new entrants.

Hurdles in establishing network coverage across India and competing with established players

India's vast landscape and rugged terrain make the process of setting up infrastructure extremely complex and expensive. Hence, new players will face several challenges in matching the coverage of established companies. A new telecom player would face many roadblocks while establishing network coverage across India. The cost per customer is higher in rural areas than urban areas due to low population density.

Economies of scale important for survival and profitability of players

Given low average revenue per user (ARPU) compared with other similar markets, achieving economies of scale becomes essential for survival in the Indian telecom sector. The capital-intensive nature of the industry, high network deployment costs and significant investments on infrastructure development would deter a new telecom company unless it has a large customer base to justify the returns.

Consolidated market creates significant entry barriers for new entrants

The top three players, viz. Reliance Jio, Airtel and Vodafone Idea, accounted for approximately 92% of total wireless customers and approximately 95% of the industry's wireless revenue as of the nine months of Fiscal 2024. While Bharti Airtel and Vodafone Idea have been longstanding players in the Indian market, Reliance Jio disrupted the telecom landscape after its entry in 2016. These telecom giants, with nationwide coverage, are aggressively competing to increase their customer base and expand their network. They are strategically targeting the vast non-4G customer base in rural areas using legacy feature phones which is estimated at approximately 250 million. Thus, competition extends beyond customer acquisition, and includes content bundling, collaboration with smartphone manufacturers for budget-friendly devices, and intensified sales efforts through distribution channels. For a new entrant, competing against these established players is exceedingly challenging, given their extensive coverage, robust infrastructure, comprehensive spectrum portfolios, and understanding of the Indian telecom customer landscape.

Indian wireless telecom market is consolidated in line with global peers

In Fiscal 2014, 14 players — Bharti Airtel, Idea Cellular, Vodafone India, BSNL, MTNL, Reliance Communications, Reliance Telecom, Tata Teleservices, Telewings Communications Services, Aircel Cellular, Sistema Shyam (MTS), Videocon Telecommunications, Loop Mobile and Quadrant (HFCL) — had cellular mobile service licence from the Department of Telecommunications (DoT). The price war in the telecom industry, which started in late-2016, led to a sharp reduction in data tariffs along with voice calls being nearly free. Small players were the worst hit, given their limited financial strength, forcing them to either exit or merge with large players.

As of the nine months of Fiscal 2024, there were five service providers in the Indian telecom market, of which two were public sector units (PSUs) — Bharat Sanchar Nigam Ltd (BSNL) and Mahanagar Telephone Nigam Ltd (MTNL). The top three players — Bharti Airtel, Reliance Jio and Vodafone Idea — held approximately 92% customer share in the Indian wireless telecom market, leading to an oligopolistic industry (the share of the two PSUs is meagre), in line with the global trend. China, Germany and the UK have just three telecom players each.

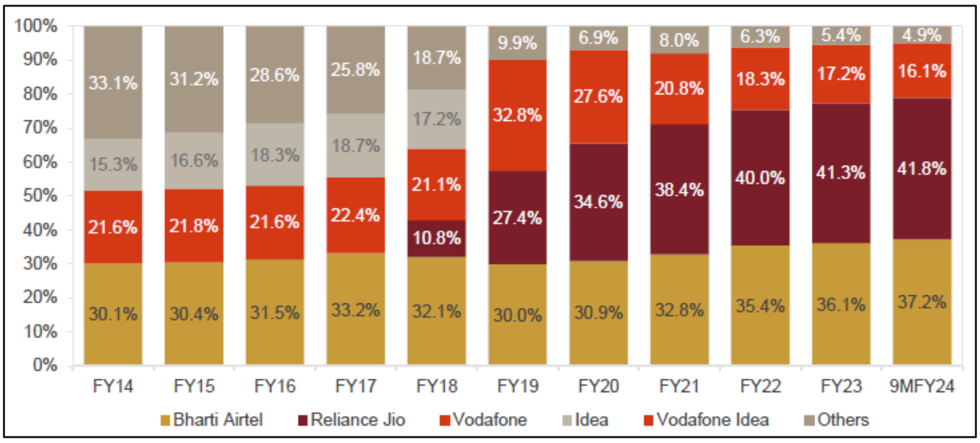
Wireless access service providers in India

S. no.	Service provider	Licensed service areas	Wireless customers (9MFiscal 2024) (million)
1	Reliance Jio Infocom Ltd	All India	459.8
2	Bharti Airtel Ltd	All India	381.7
3	Vodafone Idea Ltd	All India	223.0
4	BSNL (PSU)	All India (except Delhi and Mumbai)	92.0
5	MTNL (PSU)	Delhi and Mumbai	1.9
6	Reliance Communications Ltd	All India (except Assam and Northeastern states)	0.00

Note: [1]As of December 2023, Reliance Communications had 2,384 wireless customers. On account of a negligible number of customers of Reliance Communications, the Indian telecom market is considered to be a five-player market
Source: DoT website, CRISIL MI&A

Since Fiscal 2018, post the entry of Reliance Jio, revenue market share ("**RMS**") of the top two players at a pan-India level, for wireless and wireline services, has been improving and for the nine months of Fiscal 2024, it has reached 79.0% from 42.9% in Fiscal 2018. This indicates greater consolidation of market share with the top two players. Reliance Jio held RMS of 41.8% and Bharti Airtel 37.2% for the nine months of Fiscal 2024 among the mobile telecom operators in India.

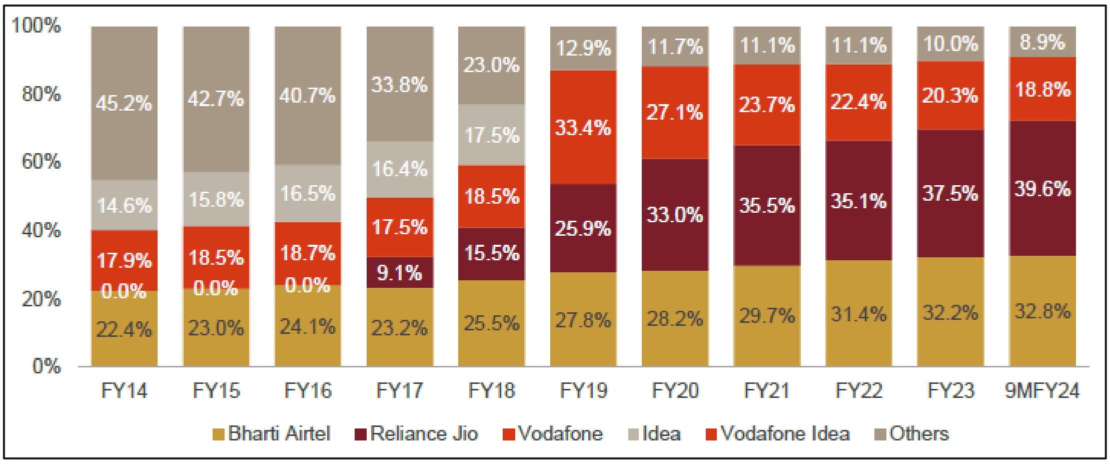
Telecom RMS: (wireless + wireline)



Note: RMS calculated on adjusted gross revenue of telecom operators offering mobile telecom services. Adjusted gross revenue reported by player with TRAI may include revenue from wireline, broadband, FTTH and other telecom services. Vodafone and Idea merged in Fiscal 2019. 9M refers to cumulative revenue for nine months of the Fiscal.
Source: CRISIL MI&A

At the all-India level, for wireless and wireline services, Reliance Jio held a total customer market share ("**CMS**") of 39.6% and Bharti Airtel had 32.8% as of the nine months of Fiscal 2024. Both have gained CMS at the expense of PSUs and Vodafone Idea. CRISIL MI&A expects the trend to continue in the near future. With consolidation, telcos will be inclined to increase tariffs.

Telecom CMS: (wireless + wireline)



Note: Reliance Jio took over wireless assets and customers of Reliance Communications (Reliance Infratel Ltd) in Fiscal 2018. Due to Reliance Communications' low CMS (0.01% of total customers in Fiscal 2023), it has been considered in others. Vodafone and Idea merged in Fiscal 2019. Others include Reliance Communications, BSNL and MTNL as wireless operators and Tata Tele. Quadrant, V-CON Mobile & Infra Pvt. Ltd., APSFL as wireline operators for Fiscal 2023. In Fiscal 2014, others include Reliance, Aircel, Tata, BSNL, MTNL, Telewings Communications Services, Sistema Shyam (MTS), Videocon Telecommunications, Loop Mobile, Quadrant (HFCL) as wireless operators and BSNL, MTNL, Reliance, Tata, Quadrant and Sistema as wireline operators.
Source: TRAI, CRISIL MI&A

Reliance Jio has the highest wireless market share across 14 of the 22 circles, followed by Bharti Airtel, which has the highest wireless market share in 7 of the 22 circles, including the Northeast circle for the nine months of Fiscal 2024 in terms of RMS.

Bharti Airtel has the highest wireless market share across 11 of the 22 circles, including the Northeast circle, followed by Reliance Jio, which has the highest wireless market share in 10 of the 22 circles, as of the nine months of Fiscal 2024 in terms of CMS.

India has potential to further deepen telecom penetration

India is the second largest telecom market globally, with 1,143.9 million wireless customers in Fiscal 2023, behind China with 1,781 million wireless customers in 2022. India has emerged as one of the fastest growing wireless telecom markets among the top five and other emerging global markets. The number of wireless telecom customers in the country increased at a CAGR of approximately 2.6% between Fiscals 2014 and 2023 to 1,143.9 million (2.9% CAGR between 2013 and 2022).

In Fiscal 2023, at 82.5 customers per 100 people, India's wireless teledensity is the lowest among the top five wireless markets in the world as well as among emerging markets. Even India's telephone and fixed broadband customers at 1.9 and 2.4 per 100 people, respectively, are much lower than those in other large economies. The under-penetration of telecom services implies potential for growth, especially in rural areas, supported by projected growth of the Indian economy and per capita income. In urban areas, data consumption beyond mobility is driven by an increase in connected home devices, connected automobiles and other Internet of things (IoT) applications, further supporting both wireless and wireline broadband customers.

Potential for price increases given under-indexation of Indian players versus global peers

India and China have the lowest tariffs in absolute dollar terms compared with other comparable economies. China has the lowest fixed broadband basket price (at least 5 GB) at USD 4.5 per month, while India at $5.0 per month, offers unlimited data. India has the lowest price for mobile telecom, at USD 2.0, among peers such as China (USD 6.2), Thailand (USD 10.7) and Vietnam (USD 2.3), indicating headroom for improvement in ARPU in India in line with growth in per capita income. In terms of percentage of gross national income (GNI) per capita (PPP), the telecom tariff is around 0.05% for China compared with 0.09% for India. Hong Kong has the lowest telecom price tariffs for mobile data as a percentage of GNI per capita (PPP), at 0.01%.

Price baskets/tariffs of various telecom services across countries

Countries	Fixed broadband basket (5 GB) (USD)	Data-only mobile broadband basket (2GB) (USD)	Mobile data and voice		For mobile data and voice low-consumption basket (PPP % per capita)
			High consumption basket (140 min + 70 SMS + 2 GB) (USD)	Low-consumption basket (70 min +20 SMS + 500 MB) (USD)	
China	4.5	4.5	10.0	6.2	0.05%
Thailand	18.6	7.4	15.8	10.7	0.15%
South Africa	21.2	9.6	19.0	8.6	0.12%
India	5.0	2.0	2.0	2.0	0.09%
The US	54.4	43.5	43.6	43.6	0.06%
Mexico	17.4	10.0	10.0	10.0	0.08%
Russia	7.5	7.4	7.4	7.4	0.05%
Vietnam	7.8	1.1	2.8	2.3	0.05%
Egypt	7.4	2.7	4.3	2.3	0.07%
Indonesia	21.0	3.8	5.8	4.4	0.09%
Brazil	20.3	3.7	6.1	6.1	0.07%
The UK	41.4	12.6	12.6	12.6	0.02%
Hong Kong	21.4	5.4	9.5	6.9	0.01%

Source: ITU, CRISIL MI&A

Indian telecom industry growth is led by wireless services

At 1,158.5 million as of the nine months of Fiscal 2024, wireless telecom customers accounted for 97.3% of the total telecom customers of 1,190.3 million.

The number of wireless telecom customers rose from 904.5 million in Fiscal 2014 to a high of 1,183.4 million in Fiscal 2018 before falling to 1,157.7 by Fiscal 2020 due to closure of inactive SIMs and deactivation of SIMs that were not linked with Aadhaar. Additionally, an increase in base (entry-level plans) tariff rates by telcos made owning multiple SIMs an expensive proposition for customers, leading to SIM consolidation. Also the number of customers temporarily declined during the first pandemic wave as urban areas lost 18 million customers, while rural areas gained 3 million. As lockdowns eased, the customer base recovered and exceeded pre-pandemic levels, reaching 1,181.0 million by the end of Fiscal 2021. Urban areas contributed significantly to this growth as remote work, e-learning and other online services became widely prevalent.

Wireless customers fell to 1,142.1 million in Fiscal 2022, led by SIM consolidation, followed by a modest increase of 0.17% to 1,143.9 million in Fiscal 2023 and 1,158.5 as of the nine months of Fiscal 2024. The impact of SIM consolidation diminished by the end of Fiscal 2023, resulting in a positive upswing in wireless numbers. However, the overall increase was constrained by inflationary pressures.

Telecom customers in India

Customers (million)		Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024	CAGR Fiscal 2014-Fiscal 2023
Total customers		933.0	996.5	1058.9	1194.6	1206.2	1183.5	1178.0	1201.2	1166.9	1172.3	1190.3	2.6%
Wire	Customers	904.5	969.9	1033.6	1170.2	1183.4	1161.8	1157.7	1181.0	1142.1	1143.9	1158.5	2.6%
	% of total customers	96.9%	97.3%	97.6%	98.0%	98.1%	98.2%	98.3%	98.3%	97.9%	97.6%	97.3%	-
W	Customers	28.5	26.6	25.2	24.4	22.8	21.7	20.2	20.2	24.8	28.4	31.8	0.0%

Customers (million)		Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024	CAGR Fiscal 2014-Fiscal 2023
	% of total customers	3.1%	2.7%	2.4%	2.0%	1.9%	1.8%	1.7%	1.7%	2.1%	2.4%	2.7%	-
Rura	Customers	377.7	419.3	449.2	501.6	524.6	514.4	521.5	537.4	519.8	518.6	527.8	3.6%
	Share	40.5%	42.1%	42.4%	42.0%	43.5%	43.5%	44.3%	44.7%	44.5%	44.2%	44.3%	-
Urba	Customers	555.3	577.2	609.7	693.2	681.6	669.2	656.5	663.8	647.1	653.7	662.6	1.8%
	Share	59.5%	57.9%	57.6%	58.0%	56.5%	56.5%	55.7%	55.3%	55.5%	55.8%	55.7%	-

Source: TRAI, CRISIL MI&A

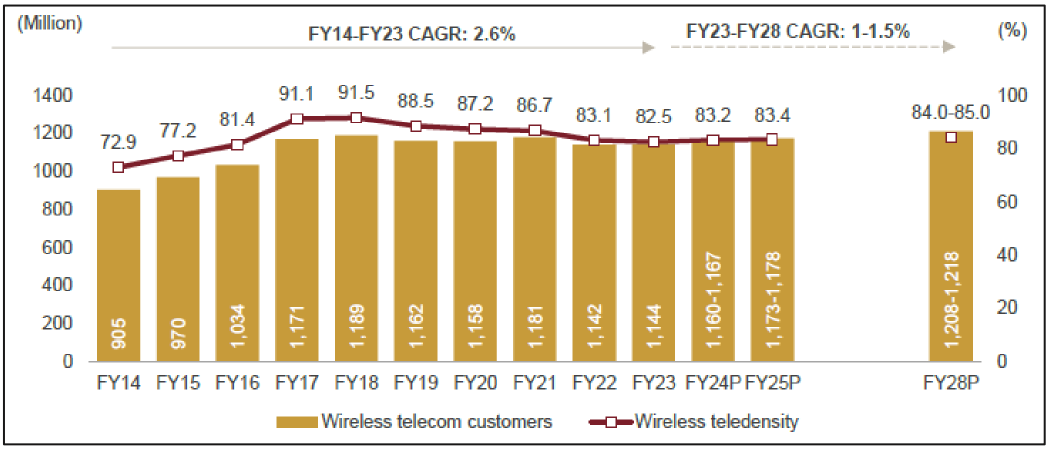
Wireless services have become the preferred choice because of their convenience and lower cost, resulting in a stagnation in the wireline customer base. Notably, wireline services are more popular among the urban milieu. The number of wireline customers declined year-on-year from Fiscal 2014 to Fiscal 2019. Thereafter, the trend reversed due to an increase in wired broadband penetration amid the pandemic. This was fuelled by the bundling of wired broadband, digital TV content/digital cable, and wireline telephone services. As a result, the number of wireline customers reached 28.4 million in Fiscal 2023 and 31.8 million as of the nine months of Fiscal 2024.

Urban telecom customers have maintained their dominance, capturing a 55.7% share as of the nine months ended of Fiscal 2024 compared with 59.5% in Fiscal 2014.

Expansive coverage and smartphone penetration to support growth in wireless services

CRISIL MI&A projects the number of wireless customers to clock a CAGR of 1-1.5% between Fiscals 2023 and 2028, driven by higher smartphone penetration, increased affordability of mobile phones, and continued demand for data and telecom services. Wireless teledensity, defined as the number of mobile/ wireless connections for every hundred individuals living within an area, stood at 82.5% as of Fiscal 2023 and 83.0% as of the nine months of Fiscal 2024. Wireless teledensity is expected at 84.0-85.0% as of Fiscal 2028, driven by telcos' investments in expanding coverage and the increase in smartphone penetration, particularly in rural areas.

Wireless telecom customer base



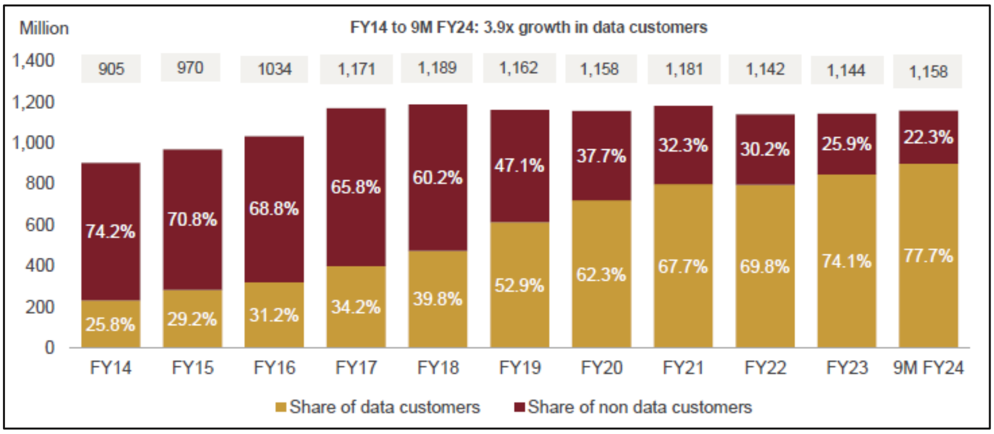
P: Projected; Source: TRAI, CRISIL MI&A

Data users and consumption grew multifold over the past decade

The number of internet or data customers surged 3.9x to 899 million as of the nine months of Fiscal 2024 from 233 million in Fiscal 2014, registering a CAGR of 14.8%, propelled by a sharp decline in tariffs. Subsequently, the share of data customers soared to 77.7% from 25.8%. Data cost per customer declined from approximately ₹ 270 per GB in Fiscal 2014 to ₹ 9.2 per GB in the second quarter of Fiscal 2024, driven by a drastic reduction in data tariffs. The increasing affordability of smartphones, coupled with a subsequent increase in smartphone adoption, also supported the rise in data consumption. Smartphone penetration increased from less than 10% in Fiscal 2014 to 64% in Fiscal 2023. Smartphone sales are estimated to have increased from approximately 80 million units in Fiscal 2013 to peak in the range of 150-160 million units in Fiscal 2021, clocking a CAGR of 9.0-10.0%. In Fiscal 2023, sales are estimated to have moderated to 130-140 million units on account of a longer replacement cycle among existing smartphone users. The growth in wireless data customers also increased internet penetration, as a percentage of the total population, from 18.5% as of Fiscal 2014 to 61.1% as of Fiscal 2023 and 64.4% in the second quarter of Fiscal 2024 and is further estimated to rise to 65.7% by the end of Fiscal 2024.

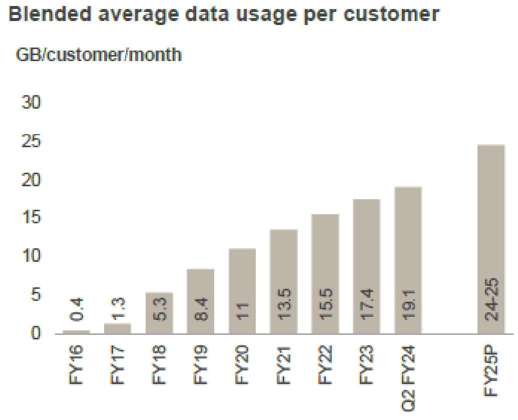
In Fiscals 2024 and 2025, CRISIL MI&A expects consistent growth in data customers due to ongoing technological upgrades, proliferation of smart devices (such as smartphones), increased internet usage, and gradual transition of non-data users towards data-based services. Furthermore, the affordability of data packages will expand the accessibility of data services to a wider demographic.

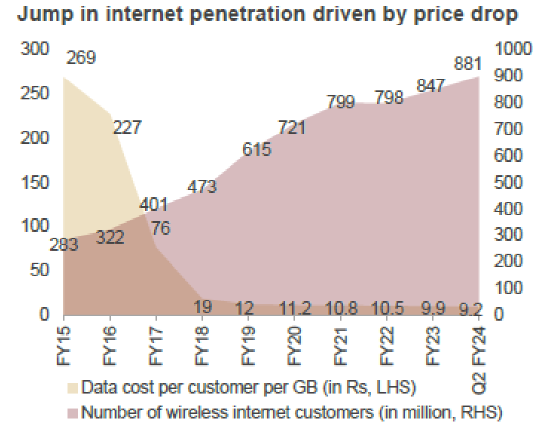
Share of data and non-data customers in the wireless telecom customer base



Source: TRAI, CRISIL MI&A

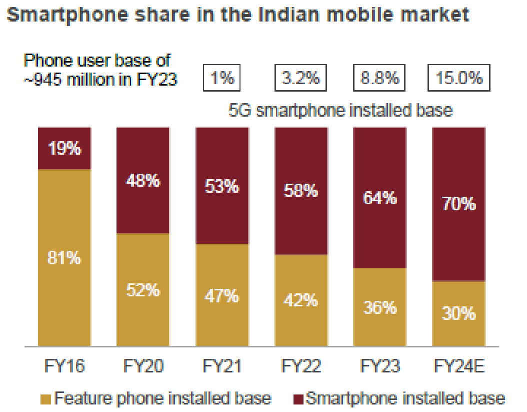
Average data usage increased from approximately 0.4 GB/customer/month in Fiscal 2016 to 17.4 GB/customer/month in Fiscal 2023 and 19.1 GB/customer/month in the second quarter of Fiscal 2024, driven by higher demand for data for video and music content, social media engagements, video calling, and sustained adoption of hybrid work-from-home and study-at-home practices. The expansion of 4G networks in rural areas and a steep decline in data tariffs also contributed to the increase in data usage.





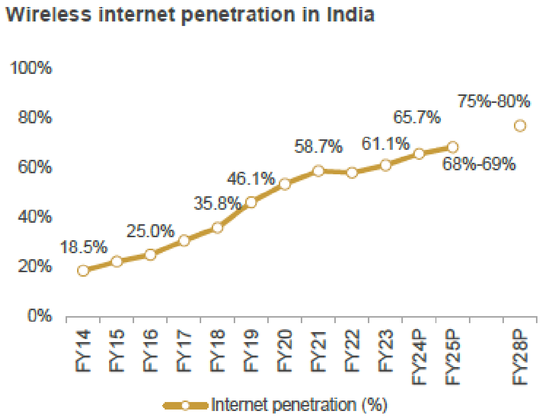
P: Projected

Source: TRAI, company reports, CRISIL MI&A



E: Estimated

Source: Publicly available data on smartphone and mobile shipments through various research agencies, CRISIL MI&A



P: Projected

Source: TRAI, CRISIL MI&A

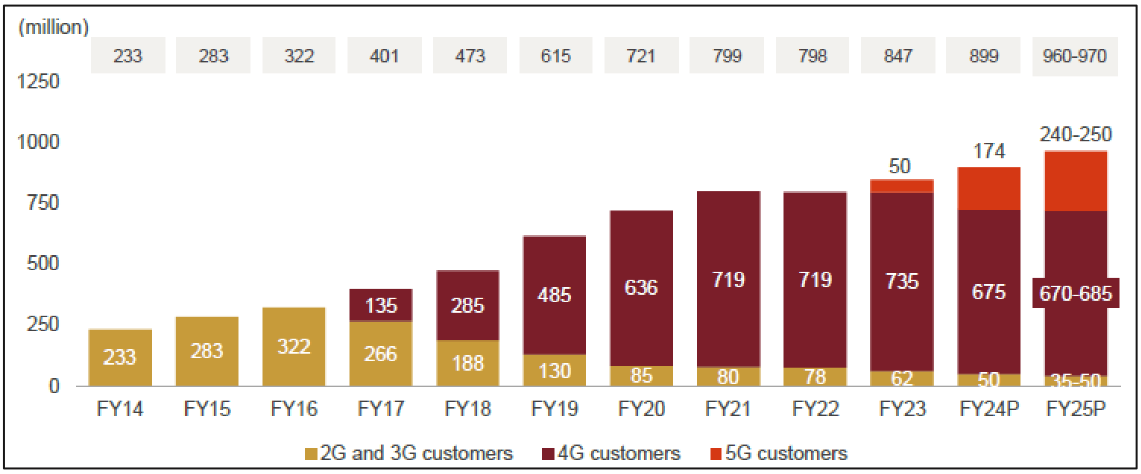
India is among the largest wireless data consumers in the world with highest average data traffic per smartphone. CRISIL MI&A expects average data usage to grow to 24-25 GB/customer/month by Fiscal 2025, driven by an increase in social media content consumption, video calling, gaming, and extensive mobile content consumption. Availability of high-speed internet in rural areas with the expansion of network coverage by telcos and a rise in smartphone penetration and usage will further support growth in data traffic. This growth in data will be accompanied by increased usage across various sectors, including entertainment, education, banking, healthcare, education and retail.

5G adoption to rise, fuelled by affordable 5G device options

CRISIL MI&A forecasts the number of 4G customers to reach approximately 675 million this Fiscal, constituting approximately 75% of the internet customer base. The 5G customer base is expected to grow, with the pace of conversion largely influenced by affordable pricing of 5G devices and continued handset replacement cycle. Offering 5G introductory services for free allows customers to experience high-speed data. This encourages upgrades and plays a vital role in shaping the future trajectory of customers and data usage. Jio offers 5G free for active prepaid or postpaid plans of ₹ 239 or above. Airtel offers 5G free to all postpaid customers and to prepaid customers with unlimited packs starting from ₹ 239.

In Fiscal 2025, CRISIL MI&A projects approximately 70% of total users to be on 4G and approximately 25% - 26% to be 5G-enabled, primarily in urban markets, surpassing 240-250 million users. Only a small fraction of data users will continue to rely on legacy 2G and 3G networks.

Number of customers across 2G/3G/4G/5G data



Note: Operators launched 5G services in October 2022. Number of 5G customers are catching-up as users adopt 5G-enabled smartphones and 5G coverage becomes more ubiquitous. The number of 5G customers could differ as 5G coverage may be intermittent; P: Projected; Source: TRAI, CRISIL MI&A

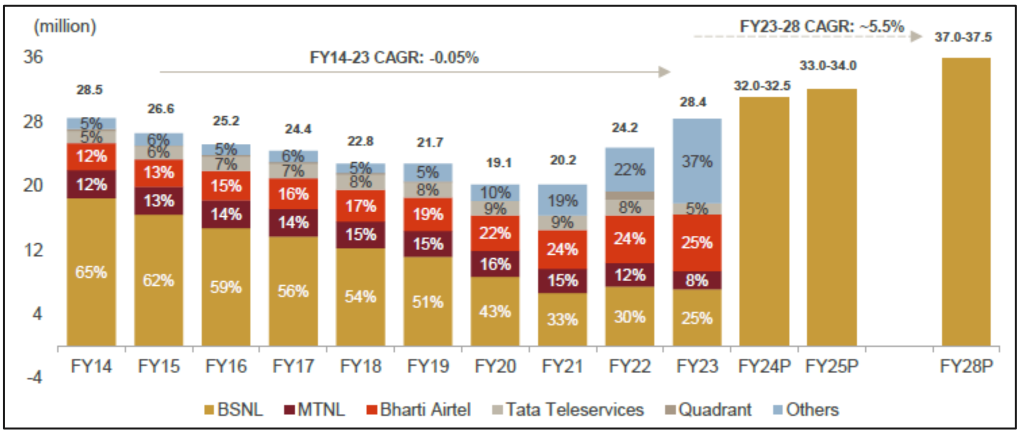
Wireline trajectory changing — telcos converge services with wireline connection

Mobile phones have gradually marginalised traditional landline phones in India. The number of wireline customers declined consistently from 28.5 million in Fiscal 2014 to 19.1 million in Fiscal 2020. Unlike mobile services that target mass markets, wireline companies have focused primarily on urban areas, with limited growth in small and medium enterprise clients.

Initially BSNL and MTNL and later Airtel and JioFiber offered bundled landline connections with fixed broadband. Thereafter, private players gained market share from the PSUs, especially during pandemic-induced lockdowns as customers favoured reliable wired internet connections and bundled services for work-from-home, online education and addressing content needs. Consequently, the wireline customer base remained stable at 20.2 million in Fiscal 2021. From Fiscal 2022, the wireline customer base expanded, to approximately 31.8 million by the nine months of Fiscal 2024, driven by the growing broadband customer base on account of the converged offering of broadband, mobile, OTT content, DTH service and wireline telephone connection. The converged solutions, including voice, video and data offerings, encourage users to opt for wireline telephone services with no additional charges.

In Fiscals 2024 and 2025, the wireline segment will experience moderate demand following the strong growth run-rate seen in the last two years and increased usage of wireless communication alternatives. The number of wireline customers is expected to clock a CAGR of approximately 5.5% between Fiscals 2023 and 2028, supported by converged offerings and broadband services. CRISIL expects broadband customers to log a CAGR of 5.0% - 5.5% between Fiscals 2023 and 2026.

Wireline telecom customers in India



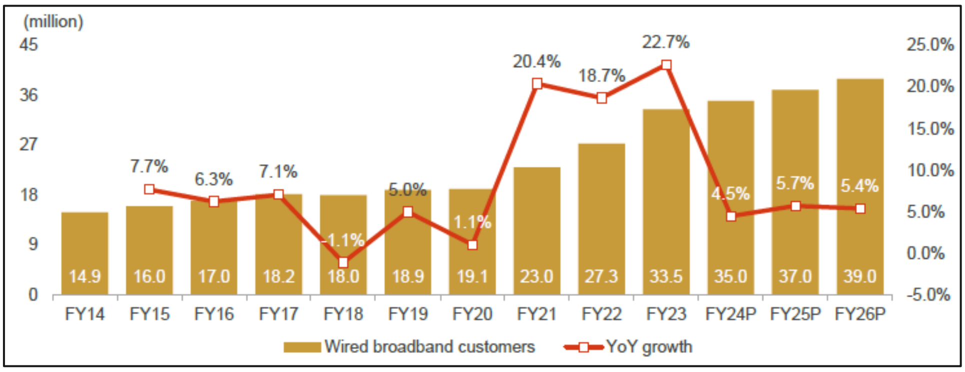
P: Projected; Note: For Fiscal 2014, the others category includes Reliance Communications, Vodafone and Sistema. For Fiscal 2023, the others category includes Reliance Communications, Vodafone Idea, and Reliance Jio; Source: TRAI, CRISIL MI&A

Wired broadband offers reliable internet

A wired network is a carrier of different forms of digital signals from one end to the other via a physical medium of cables (copper wire, twisted pair, or fibre optic). Wired broadband has high reliability, as the signal is conveyed directly through fibre cables or copper cables. However, wired network infrastructure installation is cumbersome, as it requires more time because of multiple compliances needed to secure Right of Way ("**RoW**") permission. That said, wired broadband offers a consistent and reliable broadband experience to the users.

Wired-broadband customer penetration in India in Fiscal 2023 was 8.9% of households, which is low compared with developed countries' average of 30-40%. It is significantly lower even when compared to some emerging countries such as Brazil, China, Indonesia, and Russia. In terms of connections per population, wired broadband has a penetration of 2.4% in India. The low penetration can be attributed to the affordable wireless data tariffs in India, at USD 2 for mobile data and low-to-high data consumption, compared with other global economies. In India, mobile broadband prices have been lower than those of wired broadband, so most of the internet consumption has been taking place via mobile phone. As highlighted in the tariffs table earlier in the report for telecom sector trends across countries, fixed-broadband package prices are higher than that of wireless mobile data. To attract wired broadband customers, players such as Reliance Jio and Bharti Airtel have kept entry-level broadband plans at ₹ 399 and ₹ 499, respectively.

Wired broadband customers



P: Projected;Source: TRAI, CRISIL MI&A

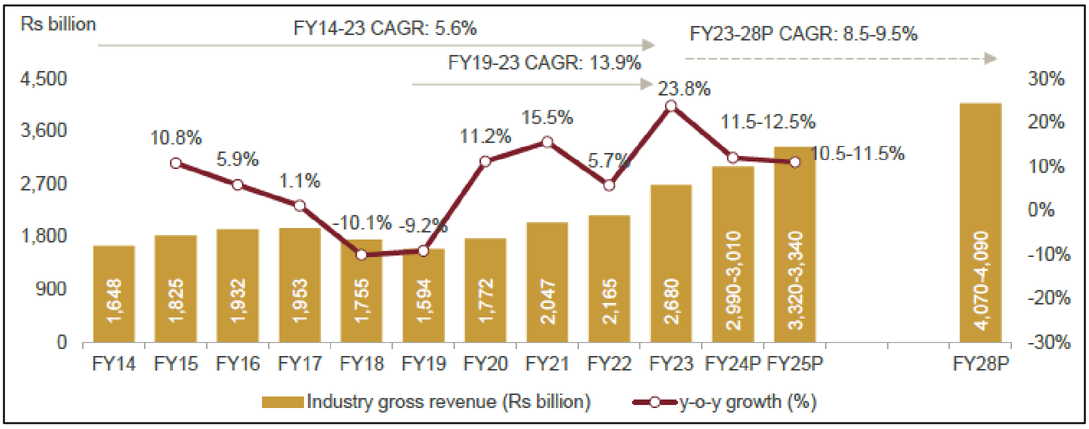
After the surge in demand during the pandemic, CRISIL MI&A expects the pace of wired-broadband customer base addition to moderate after Fiscal 2023. Internet service providers and telcos have been acquiring new bandwidth and improving last-mile infrastructure to cater to various internet connectivity requirements.

With concurrent connected devices at home, such as multiple smartphones, smart TVs, gaming devices, customer IoT, a reliable and seamless internet connection is needed to provide a high-speed data experience on all the devices. Driven by this consumption trend, CRISIL MI&A expects wired-broadband customers to grow from 33.5 million in Fiscal 2023 to approximately 39 million in Fiscal 2026, implying a CAGR of 5.0% - 5.5%. Despite its growing popularity, wired broadband remains largely an urban phenomenon, as approximately 95% of overall customers belong to the urban areas. Setting up last-mile infrastructure in rural areas is tedious and uneconomical for players because of low adoption rates.

Industry revenue CAGR of 8.5-9.5% likely over the next five years, driven by growth in data users and consumption

In Fiscal 2023, the industry's revenue grew 23.8% year-on-year, attributable to the full impact of the tariff increase that was put into effect in Fiscal 2022. Revenue logged a 5.6% CAGR between Fiscals 2014 and 2023 (compared with 13.9% between Fiscals 2019 and 2023). During this time, the industry saw price wars as Reliance Jio entered the fray. That said, industry growth was supported by various structural and procedural reforms implemented by the government to promote healthy competition, encourage investment, reduce regulatory burden on telecom service providers (TSPs), and protect the interests of consumers. Between Fiscals 2023 and 2028, the telecom industry is expected to clock a CAGR of 8.5-9.5%. This growth will be driven by a 7.0-7.5% boost in ARPU, driven by higher data usage and tariff increase. Additionally, the higher penetration of 4G and 5G services than in Fiscal 2023 will contribute to this growth. Furthermore, there will be a 1-1.5% expansion in the wireless customer base, because of the rise in penetration and demand from smartphones and home IoT demand.

Total gross revenue of the telecom industry in India, Fiscal 2014 to Fiscal 2028P



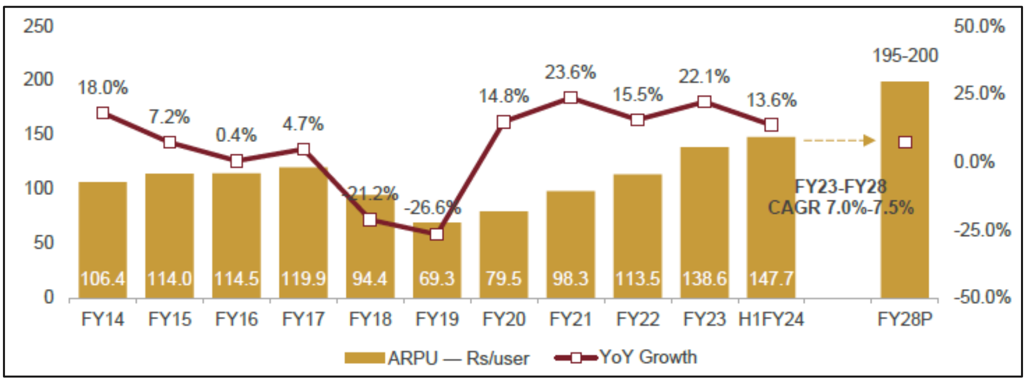
P: Projected; Source: TRAI, CRISIL MI&A

Wireless ARPU has seen strong growth since Fiscal 2020 and is expected to witness continued moderate growth, driven by tariff increase and premiumisation

The telecom industry faced a severe price war after Reliance Jio's entry in late-2016, which led to a sharp decline in ARPU and data prices between Fiscals 2017 and 2019. By Fiscal 2019, the market had consolidated to five players, as weaker players exited. Thereafter, ARPU improved in Fiscal 2020 to ₹ 79.5, due to tariff hikes in November 2019 and the introduction of minimum recharge plans. Tariff hikes in December 2019 and later in December 2021 provided a major boost. Consequently, Fiscal 2021 saw a 23.6% year-on-year rise in ARPU to approximately ₹ 98.3, driven by higher realisations owing to tariff hikes, continued upgrades of non-data to data customers. However, in Fiscal 2022, the increase in ARPU slowed to 15.5% to approximately ₹ 113.5, influenced by the partial impact of tariff hikes implemented in November 2021. The industry's ARPU surged 22.1% to ₹ 138.6 in Fiscal 2023, driven by tariff increase and greater uptake of premium plans.

CRISIL MI&A expects higher data consumption, higher tariffs and premiumisation of existing data users to high-value packs to continue, thereby fuelling stronger ARPU CAGR of 7.0-7.5% between Fiscals 2023 and 2028. Indian telecom tariffs are low in absolute terms as compared with other global comparable markets, which will support potential tariff hikes going forward. However, ascertaining the timing of tariff hikes is difficult. In the 4G/5G-driven market, focus is expected to be on market share rather than price wars.

Wireless telecom ARPU in India (Rs)



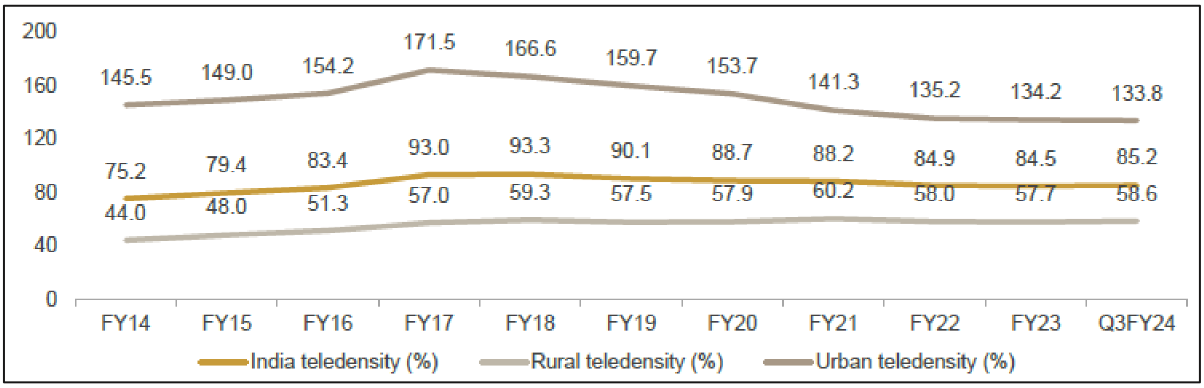
P: Projected; Note: TRAI reports net ARPU arrived at after adjusting interconnect usage charges and roaming settlement charges divided by average customers during the quarter. There is a difference in ARPU calculated by TRAI and the figures published by operators in their financial statements. Source: Company reports, TRAI, CRISIL MI&A

Rise in telecom penetration will drive telecom revenue

Growing need for telecom services, network expansion by telecom operators, and availability of services at affordable prices have been driving customer addition and, in turn, contributing to an improvement in teledensity to 84.5% as of Fiscal 2023 from 75.2% as of Fiscal 2014. Rural teledensity improved to 57.7% as of Fiscal 2023 from 44.0% as of Fiscal 2014, which was led by higher penetration of wireless services, whereas urban teledensity declined to 134.2% from 145.5%, during the same period led by SIM consolidation.

Rural customers grew faster than urban counterparts, due to low teledensity. Notably, rural customers logged a CAGR of approximately 3.6% between Fiscals 2014 and 2023. In contrast, urban customers exhibited a lower CAGR of approximately 1.8%. The difference in growth rates can be attributed to affordability of smartphones and telecom services and continued network expansion by telecom operators. Telcos' concentrated and aggressive expansion strategies in rural areas supported rapid customer-base augmentation in these regions. Telecom revenue growth will be supported by a rise in the customer base, supported by an increase in rural teledensity.

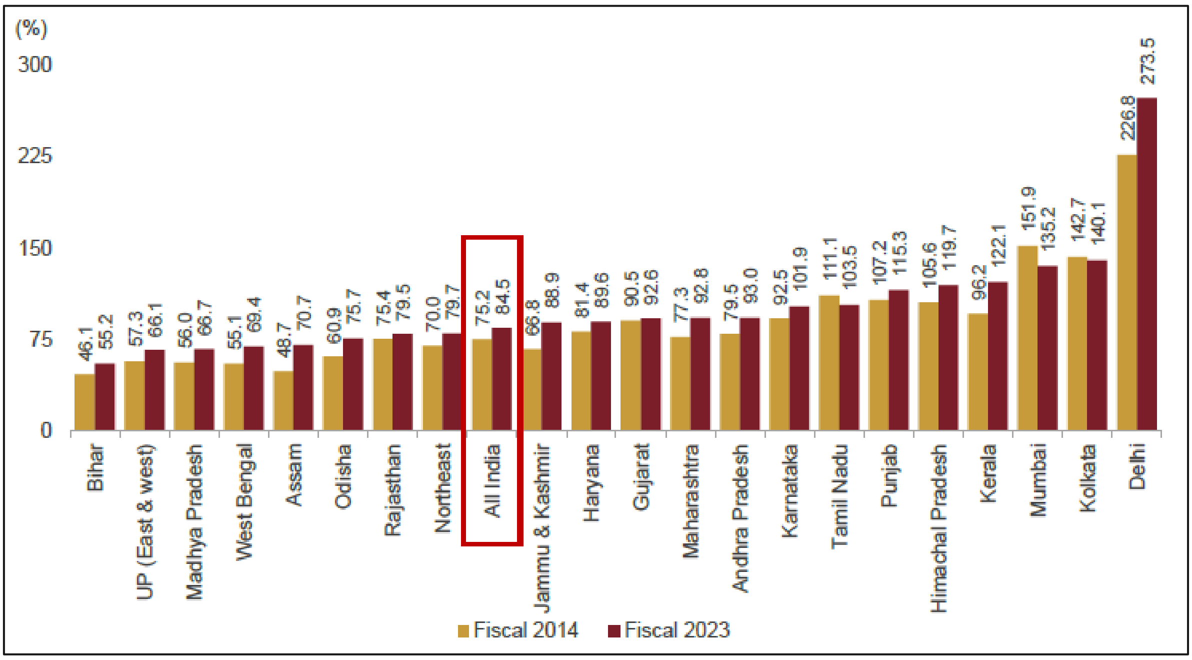
Teledensity



Source: DoT, TRAI, CRISIL MI&A

Under-penetrated telecom circles, such as Rajasthan, the Northeast region, Assam, Odisha, West Bengal, Madhya Pradesh, Uttar Pradesh and Bihar will be key areas of growth for telcos.

Circle-wise teledensity



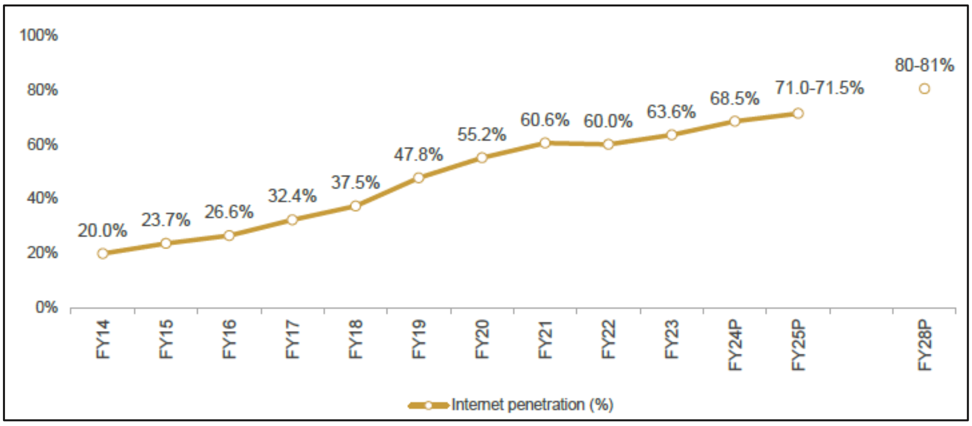
Circles/regions mentioned above are defined as per TRAI definition mentioned in Annexure.
Source: DoT, TRAI, CRISIL MI&A

Revenue will be further supported by a rise in wireless internet penetration of 80%-81% by Fiscal 2028

Internet users in India surged over the past few years — internet penetration as a percentage of the total population was 63.6% as of Fiscal 2023 (vs 20.0% as of Fiscal 2014). CRISIL MI&A expects the number of internet customers (wireless) to be 960-970 million by Fiscal 2025, translating into 71.0%-71.5% internet penetration. In fact, by Fiscal 2025, we expect the majority of customers to transition from 2G and 3G data services to 4G and 5G services. This can be attributed to increased demand for data, affordable pricing of 4G services, early conversion to 5G, and availability of affordable smartphones.

By Fiscal 2028, wireless internet penetration is projected to reach 80% - 81%. The growth, though, is subject to the evolution in the data consumption landscape and increase in the average telecom service tariff.

Internet penetration in India (%)



P: Projected; Internet penetration is per 100 of the population; Source: TRAI, CRISIL MI&A

Rising 5G smartphone penetration will help telcos to monetise data

The Indian market has evolved from a feature-phone user base to a smartphone user base, with smartphones constituting 64% share of overall phone customers as of Fiscal 2023, estimated at approximately 945 million. This is expected to rise to 70% in Fiscal 2024. Also, industry sources estimate the market to comprise more than 120 million 5G-enabled smartphone units as of the nine months of Fiscal 2024, which is estimated to account for 10-15% of the mobile phone base in India. CRISIL MI&A expects rapid 5G smartphone growth to continue due to improving affordability and attractive pricing.

The growing mix of 5G smartphones in overall shipments and emergence of 5G-specific use cases will augur well for the telecom industry players and drive demand for 5G data services.

Smart TV penetration to aid demand of high-speed internet

In India, colour TV sales increased 6% year-on-year in Fiscal 2023 to 14.4 million units, with smart TVs contributing to sales of more than 80% of colour TV units. CRISIL MI&A expects colour TV sales in India to grow at a 5-6% CAGR and reach 17.4 million units in Fiscal 2027, supported by a shorter replacement cycle, ownership of multiple TV units and a rise in the penetration of TV in the rural areas. A rise in smart-TV penetration, changing content consumption habits and the continued proliferation of OTT apps would lead to demand for reliable and high-speed internet, which can be supported by wired broadband connection, 5G wireless or fixed wireless access (FWA). Also, the OTT market in India is expected to grow at an 11-14% CAGR between Fiscals 2023 and 2025 to ₹ 240-250 billion in Fiscal 2025, which will promote demand for broadband services, rise in data consumption and higher ARPU.

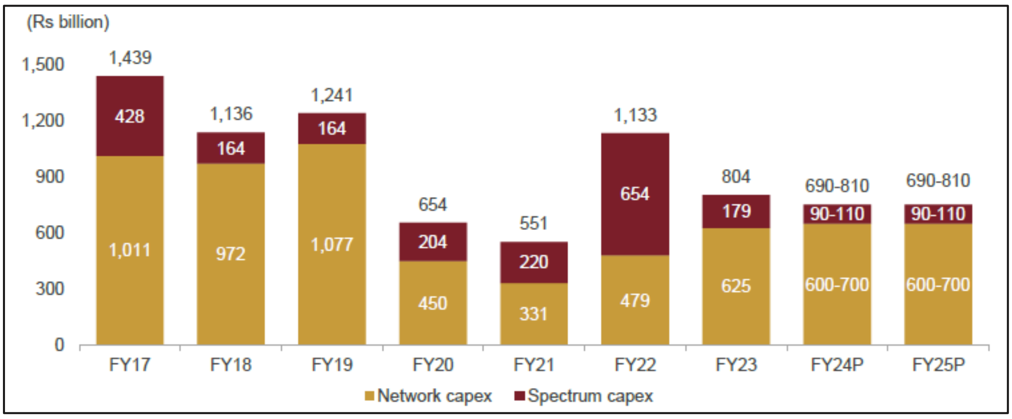
Converged offerings will enable rise in data monetisation and better realisation for telecom players

Telcos are providing converged or comprehensive offerings of direct-to-home (DTH), broadband and mobile services. TV penetration in the country stands at approximately 65%. About 190 million households own cable or DTH connections. Of this, approximately 167 million are without wired broadband connections (assuming a household with wired broadband also owns a TV), but 60-70 million of these might not upgrade to broadband owing to poor propensity to pay. Thus, the target households are approximately 100 million. These households are the target market for the converged offering of broadband services with TV/ content subscription at competitive rates along with mobile service package. This presents an opportunity for telcos to monetise data and increase revenue earning potential from existing mobile customers.

Network capex to stay elevated at ₹ 600-700 billion in Fiscals 2024 and 2025

The telecom industry is highly capital-intensive as players commit large investments to acquire spectrum and deploy networks. Capex is more susceptible to technological changes than to business plan. Leading telcos typically start new investments before realising returns from earlier ones. For instance, Indian telcos were expanding their 3G network in 2016 when Reliance Jio launched pan-India 4G services, compelling other players to follow, showcasing the industry's adaptability to evolving technology.

Capital investment expected to remain in same range till Fiscal 2025



P: Projected; Source: Company reports, CRISIL MI&A

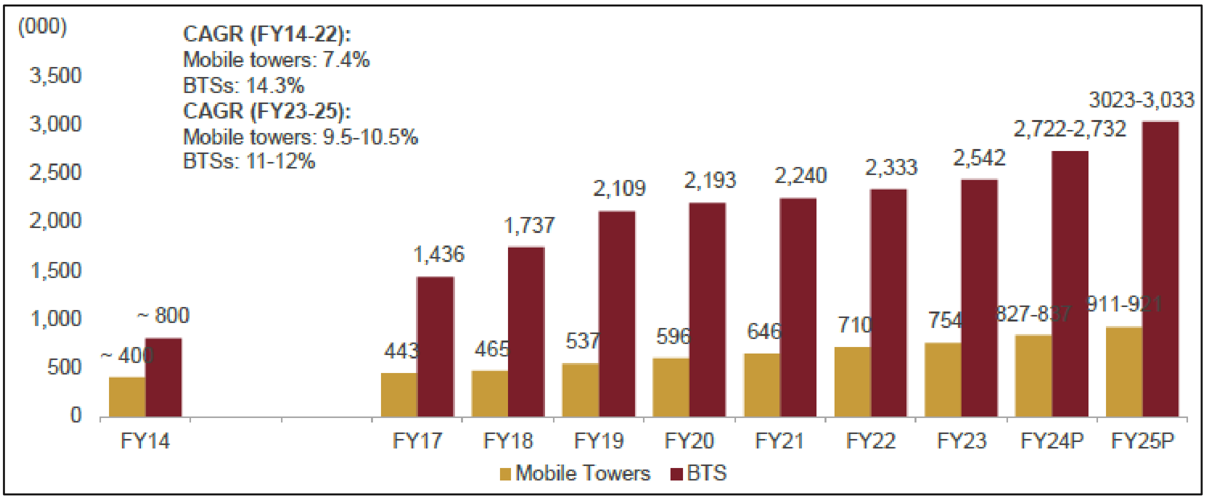
Between Fiscals 2017 and 2019, the industry's cumulative capex totalled approximately ₹ 4 trillion, including spectrum and network investments. Massive capex and ultra-low tariffs forced smaller players to exit, resulting in a three-private-player-market structure in Fiscal 2019. After 4G investments of major players peaked, investments started to moderate with capex of ₹ 654 billion and ₹ 551 billion in Fiscals 2020 and 2021, respectively.

However, in Fiscal 2022, the industry capex was significantly higher than the previous Fiscal as two private players prepaid their spectrum dues. Reliance Jio prepaid all its dues for the spectrum acquired prior to 2021 in two tranches. Bharti Airtel also partly prepaid its dues in three tranches during Fiscals 2022 and 2023. The industry paid ₹ 179 billion towards spectrum purchased for the July 2023 auction. The balance amount is spread over 19 years, requiring annual outflows of ₹ 90-110 billion to maintain the net present value of the winning bid prices. The network capex was elevated at ₹ 625 billion in Fiscal 2023, owing to fast-paced 5G rollouts initiated by telcos. The investment in mobile technology such as 4G and 5G has boosted the median speed for mobile to 75.8 Mbps in October from 1.3 Mbps in March 2014.

CRISIL MI&A expects telcos' capex to remain in a range of ₹ 690-810 billion per year in Fiscals 2024 and 2025, largely driven by network capex for deployment of 5G technology — base transceiver stations (BTSs), strengthening fibre backhaul for towers, enhancement of service quality and routine maintenance capex. The growth in mobile towers and BTSs is expected to be 9.5-10.5% and 11-12%, respectively, between Fiscals 2023 and 2025. The emphasis will be on enhancing 5G site coverage and improving service quality. The Fiscals also see payment to the tune of ₹ 90-100 billion towards spectrum payouts in Fiscal 2024 and Fiscal 2025.

Telcos have added 0.4 million BTSs for 5G coverage during Fiscal 2024

In Fiscal 2022, India had 2.3 million BTSs (0.48 million 2G BTSs, 0.2 million 3G BTSs and 1.7 million 4G BTSs). Based on the latest estimated numbers, 4G BTSs form 65% of the total pie, compared with 45% in fiscal 2018. As of January 2024, 5G BTSs accounted for 15.3% of total BTSs. The number of total BTSs increased to 2.7 million in January 2024 from 0.8 million in March 2014. The considerable growth in 4G infrastructure aligns with the rising usage of 4G data consumption and expanding connectivity.



P: Projected; Source: DoT, CRISIL MI&A

Licensed service area-wise and technology-wise BTSs

	Fiscal 2022				Fiscal 2023	As of January 2024
	2G BTSs	3G BTSs	4G BTSs	Total BTSs	Total BTSs	5G BTSs
Andhra Pradesh	36,293	7,669	123,586	167,548	174,590	33,842
Assam	11,384	3,086	38,622	53,092	57,711	7,692
Bihar	30,709	6,598	115,287	153	168,065	29,497
Delhi	18,837	11,956	79,408	110,201	128,118	11,093
Gujarat	27,389	9,769	105,428	142,586	159,191	29,088
Himachal Pradesh	5,053	1,331	17,902	24,286	26,463	3,827
Haryana	12,022	6,153	38,285	56,460	62,446	15,110
Jammu and Kashmir	6,711	1,738	25,845	34,294	38,458	6,701
Karnataka	32,948	5,059	109,796	147,803	161,635	27,530
Kolkata	8,568	1,588	36,462	46,618	-	Refer to WB
Kerala	21,859	10,804	61,015	93,678	101,861	18,380
Mumbai	11,389	604	44,383	56,376	-	Refer to MH
Maharashtra	40,625	14,708	138,181	193,514	226,827	44,836
Madhya Pradesh	31,922	11,996	119,444	163,362	174,789	19,006
Northeast	8,185	2,353	24,327	34,865	37,014	4,082
Odisha	15,190	3,718	52,082	70,990	77,553	11,501
Punjab	18,822	6,830	58,735	84,387	88,430	15,355
Rajasthan	26,688	9,315	91,620	127,623	136,188	24,418
Tamil Nadu	36,767	12,241	113,356	162,364	169,783	32,790
Uttar Pradesh East	35,204	12,766	125,923	173,893	200,159	51,962
Uttar Pradesh West	25,424	9,296	94,397	129,117	139,642	
West Bengal	21,147	8,532	77,220	106,899	106,899	27,266
Total	**483,136**	**158,110**	**1,691,304**	**2,332,550**	**2,542,213**	**419,845**

Source: DoT, TRAI, CRISIL MI&A

The DoT has taken several policy initiatives to facilitate the growth of telecom infrastructure in the country. They include:

- Ensuring adequate availability of spectrum through open and transparent auction
- Permitting sharing and trading of spectrum
- Permitting passive and active infrastructure sharing
- Formulating procedure for Standing Advisory Committee on Radio Frequency Allocation ("**SACFA**") siting clearance for low power BTSs/ small cells, i.e., micro, pico and femto cells, on existing street furniture/ infrastructure has been simplified
- Amended the Indian Telegraph Right of Way Rules, 2016, to facilitate faster and easier deployment of telecom infrastructure
- Launched the GatiShakti Sanchar portal to facilitate and expedite RoW permissions, by providing a single interface between all stakeholders, including central and state/ union territories government(s), local bodies and service providers
- Making available government land/ buildings for installation of towers
- Saturation of 4G mobile services in 24,680 uncovered villages and 6,279 villages that had only 2G or 3G connectivity
- Rolled out various USOF schemes for providing mobile network in the country in backward and scheduled caste-dominated areas
- Set up 100 5G labs in engineering institutions to develop the application of 5G services across various industries such as smart classrooms, precision farming, intelligent transport systems and healthcare applications

5G services deployment through NSA network provides cost-efficient 5G infrastructure

For deploying 5G services, telcos have two types of deployment options — non-standalone (NSA) and standalone (SA). Both SA and NSA methods are viable for constructing and expanding a 5G network. The choice depends on the operator's approach and market scenario. The key factors driving preference for NSA 5G over SA are cost and ease of deployment. Globally, majority of telecom operators, approximately 85%, started with the NSA technology approach for deploying 5G services.

NSA is comparatively economical and easier to deploy as it can use an existing 4G core network to connect to the 5G RAN as opposed to SA 5G, which uses a dedicated 5G core network that requires substantially higher infrastructure and equipment investments.

In NSA, 5G services are provided through 4G core infrastructure, utilising existing 4G LTE core, which is called the evolved packet core (EPC). NSA utilises dual connectivity of 5G and 4G spectrum to extend the 5G coverage for a given service level without the need of dedicating sub-GHz spectrum in 5G, thereby providing higher coverage at lower cost. In SA, 5G services are provided with end-to-end 5G infrastructure with a dedicated cellular infrastructure tailored for 5G services.

Both these options are viable for the telecom companies and consumers, but also come with their own challenges. NSA offers faster rollout of 5G services to consumers as they are deployed using existing 4G network infrastructure and 5G radio on mobile towers. NSA is also cost efficient for telecom companies as it not only avoids investment in 5G core, but also saves cost of using sub-GHz spectrum band and deploys fewer radios.

Thus, NSA deployment has lower capex requirement, low cost of ownership and reduced environmental impact (owing to lower overall power consumption on account of fewer 5G radios).

These benefits notwithstanding, an NSA network poses some challenges. It has limits on providing multiple levels of network slicing capabilities and supporting ultra-low latency 5G offerings, such as industrial Internet of Things (IoT), autonomous vehicle, remote surgery, and real-time financial trading.

On the other hand, the SA network can provide ultra-low latency 5G services to consumers. It supports high density deployment of IoT and autonomous devices. But the SA network, too, comes with its own challenges. Since this network is based on end-to-end 5G network infrastructure, setting it up is costly and time consuming.

The SA network system, with a spectrum layer of 3.5 GHz for 5G services, requires a sub-GHz spectrum layer working on the SA network. The role of this sub-GHz layer is to increase the coverage of the 5G services in areas where 3.5 GHz spectrum does not reach.

Key differences between NSA and SA networks

Parameters	SA deployment	NSA deployment
Core network	5G core	Existing 4G EPC infrastructure with minimum configuration changes
Primary base station	5G base station used for signalling and traffic	5G base station is used for traffic and 4G base station for both signaling and traffic
Latency	Can provide ultra-low latency	Can provide low latency
Deployment	Challenging with new 5G core, VoNR not matured	Ease of deployment
Time consumption for deployment	High, as new network architecture has to be built	Low, as existing 4G core infrastructure is used

Note: Latency is the time between sending and receiving information, which is critical for use cases such as telesurgery, connected cars, financial markets transactions, etc.
Source: Secondary research, CRISIL MI&A

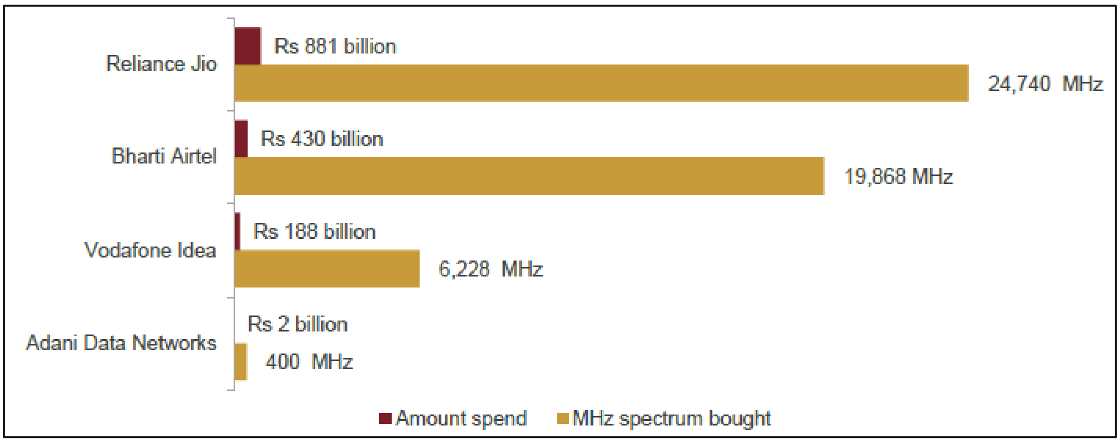
Thus, some operators are deploying NSA 5G strategically to gauge initial demand for 5G, before spending money on building an SA network. Also, currently there are no matured use cases in which advanced 5G services with ultra-low latency are needed. Going forward, emerging new use cases such as broadband IoT (RedCap) and network APIs or multiple number of slicing or ultra-low latency may need SA.

Largely mid and high-band spectrum from telecom auction of 2022 utilised for 5G-rollout

With the 5G telecom auction in 2022, India has joined a select list of 70 countries with 5G technology offerings. The government had put 72,098 MHz spectrum on auction, of which 51,236 MHz (71% of the total) was sold. In the auction, Reliance Jio, Bharti Airtel, Vodafone Idea and Adani Data Networks spent ₹ 1.5 trillion on 5G.

A recent entrant, Adani Data Networks entered the 5G market after it won 400 MHz in millimetre wave 26 GHz spectrum in the spectrum auction of 2022. However, Adani bought the spectrum for captive consumption and its share is minuscule compared with that of Bharti Airtel (19,868 MHz) and Reliance Jio (24,740 MHz), which purchased spectrum on pan-India basis across various bands in the auction (Bharti Airtel in the 900 MHz, 1800 MHz, 2100 MHz, 3300 MHz and 26 GHz bands; Reliance Jio in the 700 MHz, 800 MHz, 1800 MHz, 3300 MHz and 26 GHz bands; and Vodafone Idea obtained 6,228 MHz spectrum in the 1800 MHz, 2100 MHz, 2500 MHz, 3300 MHz and 26 GHz bands). The spectrum payments will be made over 20 years/20 instalments at an interest of 7.2%. Spectrum is allocated in various ranges of frequencies within a particular band. For instance, DoT offered 3300 MHz band with frequency range of 3300 MHz to 3600 MHz.

2022 spectrum auction results



Source: Company filings, DoT

The 600 MHz band was put on auction for the first time. However, no bids were received for this band, as the device ecosystem for it is still developing for mobile telephony. However, this band may become relevant in the future. In the 700 MHz band, the 5G ecosystem is better developed than 600 MHz, but still not mature. The 700 MHz band provides a large range and good coverage. Reliance Jio has obtained 10 MHz spectrum in this band across India. For bands between 800 and 2,500 MHz, participants have primarily placed bids for spectrum for augmenting capacity and improving 4G coverage. The mid-band, i.e., 3.5 GHz band, is crucial in providing high 5G throughput. All three existing operators have obtained spectrum in this band. Operators are likely to augment existing 4G capacity and provide 5G services in the 3.5 GHz band. In the mm wave band, 26 GHz has high throughput, but very short range. FWA is becoming popular in this band across the world. FWA can be used as an alternative to fibre in high-density/congested urban areas. All four participants have obtained spectrum in this band.

Telecom companies with strong mid-band spectrum portfolio did not have to buy 700 MHz spectrum band

5G services broadly come in three types of spectrum bands — low, mid and high. Each band provides different sets of benefits.

The low band transmits in less than 1 GHz of spectrum. It has robust propagation qualities, making it useful for extending coverage in sparsely populated regions and ensuring indoor coverage in densely built-up areas. Utilising a low-band spectrum enables telecom companies to offer extensive coverage of 5G services. However, the speed and latency improvements in the 5G network are only marginal compared with 4G networks, due to the constraints posed by smaller bandwidths. The 700 MHz band sells at a higher price and is considered a premium band, as it helps in building deep network coverage.

The mid-band spectrum functions within the 1-6 GHz range, bridging the gap between the low- and high-frequency bands. It provides a balance of coverage, speed and capacity. Offering greater reach than high-band 5G and superior speed and capacity vis-à-vis low-band 5G, the mid-band proves ideal for serving cities, towns and suburban areas, and meeting the diverse needs of both consumers and businesses. This makes it a versatile and well-suited option for achieving an effective and widespread 5G deployment, as it possesses the capability to transmit substantial data over considerable distances.

The high-band spectrum operates at 24 GHz and beyond. High-band 5G (mm wave) delivers high speeds over short distances. It is employed in densely populated urban areas and business districts to optimise 5G performance in specific locations. However, the overall ecosystem including smartphones in the high-band spectrum is still evolving.

5G spectrum was auctioned in 2022 and only one telco bought the 700 MHz spectrum band. Telcos opting for NSA and having strong mid-band spectrum holdings did not have to acquire spectrum in this band. These telcos choose to deploy NSA network which can combine new 3.5 GHz with other mid-band 4G spectrum. This supports 5G networks at a lower cost than other telecom players, who choose to deploy SA and do not have enough mid-band spectrum. The telcos without strong mid-band spectrum and opting for SA deployment had to buy the 700 MHz band to increase coverage. Overall, it results into higher investments in both spectrum acquisition of 700 MHz band as well as network deployment.

Globally 3.5 GHz remains the standard 5G band

Globally, the spectrum choice for commercial 5G networks has been the mid-band spectrum between 3.0 GHz and 3.7 GHz, with at least 192 operators globally using the mid-band frequencies. At least, 35 operators worldwide are using millimetre wave (mmW) spectrum for their commercial 5G networks, most of which are in North America. Some European operators are slowly adopting the 26 GHz and 28 GHz bands, but 3.5 GHz remains the standard 5G band for many. Millimetre-wave spectrum, useful for high-speed 5G data services over short distance, is not a priority for many operators as the current demand for 5G does not justify further investments in high-frequency spectrum.

Asia-Pacific operators are pushing back on the use of mmW spectrum. South Korea cancelled its 28 GHz licences in November 2022 and May 2023, due to the inability of local operators to meet the requirements for network deployment and lack of demand from consumers. India's auction of 26 GHz in August 2022 was met with less intense bidding from operators compared with low- and mid-frequency bands. Mainland China has not yet released mmW frequencies to local operators.

Robust spectrum holdings based on latest technology to contribute to enhanced customer experience

Cellular technology has evolved significantly over the decades. It has evolved from 1G to 4G and now, 5G. Each technology has been differentiated by the enhanced capacity and usage of different frequency bands. This has compelled telecom companies to buy spectrum in these new bands to stay relevant and provide the latest technology-based services to their customers.

The latest 5G services are a major technological advancement in the telecom sector, better on several aspects compared with 4G. Unlike 4G, 5G uses a broader frequency spectrum, ensuring faster data speeds and more capacity, but with a shorter range. 5G use-cases include IoT applications, connectivity in smart cities, gaming, autonomous vehicles, and AR/VR-based services. These use cases are expected to expand in the future, which will require larger connectivity, lower latency and higher speed. Thus, spectrum holdings in the correct frequency band will become crucial for telcos for providing services against the growing demand for 5G use-cases by customers.

Key reforms and regulatory actions in the Indian telecom industry

Regulations	Development
Spectrum liberalisation	In 2015, operators were given the option to liberalise their entire administratively allotted spectrum holding in the 800 MHz and 1,800 MHz bands in a circle for the remaining validity period of the right to use spectrum
Discriminatory Tariff	In 2016, TRAI ruled out discriminatory tariff of data services. As per discriminatory tariff, an operator cannot charge different tariffs for data services based on the content accessed, transmitted or received by the consumer.
Retailing of spectrum, infrastructure	In May 2016, virtual network operators (VNOs) were given permission to obtain licences and offer services of a telecom operator, without owning the spectrum and related infrastructure
Telecom panel announces a 3% minimum SUC	In August 2016, the government approved a minimum spectrum usage charge (SUC) of 3% on adjusted gross revenue (AGR) proposed by the Telecom Commission
Extension of the spectrum payment period	In September 2017, the Telecom Commission extended spectrum payment duration from 10 to 16 years based on an inter-ministerial group (IMG) recommendation. It also lowered interest rates on unpaid dues by at least two percentage points, replacing prime lending rate (PLR) with marginal cost of fund-based lending rate (MCLR) (w.e.f. April 1, 2016) for calculating telecom operators' interest on delayed payment of licence fee and spectrum usage charges. This aimed to alleviate the debt-laden telecom industry
Interconnect usage charge (IUC)	TRAI reduced the termination charges for local and national long-distance calls from 14 paise/minute to 6 paise/minute with effect from October 1, 2017.
Relaxation of spectrum cap	In 2018, the spectrum holding cap was increased from 25% to 35% in a circle. The intra-band cap of 50% holding in a circle was removed but 50% cap was also imposed on combined spectrum holdings in sub-1 MHz band per circle
The Telecommunication Tariff (Sixty Third Amendment) Order, 2018	Under this order, if tariff is found to be predatory, the service provider will be charged an amount not exceeding ₹ 5 million for each service area, provided it holds a significant market power in the service area i.e. at least 30% share in the service area
National Digital Communication Policy, 2018	This policy facilitated the development of communication infrastructure and services to achieve inclusive social-economic growth in the country
International termination charge	In February 2018, TRAI reduced the ITC payable by an international long-distance operator (ILDO) to the access provider on whose network the call terminates, from ₹ 0.53 per minute to ₹ 0.30 per minute. It was again revised in May 2020 – to a range, i.e. minimum ₹ 0.35 and maximum ₹ 0.65 per minute

Regulations	Development
Apex court on AGR definition	In October 2019, the Supreme Court ruled in favour of DoT with regard to definition of AGR revenues, resulting in telecom players being liable to pay dues of past 14 years as per the order, including interest, penalty and interest on penalty
Moratorium on spectrum payments	In 2019, the Indian government announced a moratorium of two years on deferred spectrum payments
Scrappage of IUC	In January 2021, TRAI scrapped termination charges for local and national long-distance calls for all telecom operators
Spectrum auctions	DoT initiated the formal process of auctions, scheduled to be held in March 2021. The auctions included spectrum across all bands, except 5G
Apex court slashes incumbent's plea	The Supreme Court rejected the plea of telecom operators of recalculating the AGR dues to the arithmetic errors in 2021
Cabinet announces AGR relief package and other key reforms	In September 2021, the Union Cabinet approved several structural and process reforms in the telecom sector, including: • Four-year moratorium on payment of statutory dues by telecom companies, both AGR and spectrum charges • Definition of AGR has been rationalised by excluding non-telecom revenue of telecom companies • 100% FDI in telecom via the automatic route has been approved • The regime of heavy interest, penalty and interest on penalty on delayed payments of license fees and spectrum usage charges has been rationalised • The Centre will compound the interest annually instead of monthly Spectrum auction will be done for 30 years, instead of 20 years. After completing the 10-year lock-in period, the buyer will have the option to surrender by paying surrender charges • Removal of additional SUC of 0.5% for spectrum sharing • No SUC on spectrum acquired in future spectrum auction
SUC	In June 2022, DoT removed the 3% floor on SUC, as it announced the weighted average of SUC to be calculated by the sum of the product of spectrum holdings and applicable SUC rate divided by the telecom company's total spectrum holdings. No SUC will be applied on spectrum auctioned in 2022.
Universal Service Obligation Fund (USOF)	USOF was started by the Government of India in 2003 to provide telecom services (including mobile services, broadband connectivity, and ICT infrastructure creation - added in 2006) for rural and remote areas in India. Under USOF, about approximately ₹ 480 billion has been disbursed over Fiscals 2014 and 2023 under various projects. Under USOF some projects are allotted to various mobile service providers for providing mobile network in the country especially in rural and remote areas. Over 2020 and 2021, projects were assigned for setting up mobile connectivity in over 8000 uncovered villages across Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Odisha, Rajasthan, Uttarakhand, Uttar Pradesh, Jammu and Kashmir and Ladakh Northeast was among the key regions to receive funds for expansion of mobile networks with 26.2% share. This region has seen installation of 2,207 towers until December 2023 under the USOF scheme. In 2017, nearly 2000 mobile towers were installed in 2,128 uncovered village and national highways in Assam and Northeast states. This has helped the telecom companies to increase their penetration in the area. In July 2022, the project for saturation of 4G mobile services in uncovered villages across the country was approved to provide 4G mobile services in 24,680 uncovered villages in remote and difficult areas. In addition, 6,279 villages having only 2G or 3G connectivity would be upgraded to 4G.
5G auctions	The DoT accepted the price cuts recommended by TRAI for the 2022 5G auctions. Also, the Cabinet permitted enterprises to run 'captive non-public networks'. Enterprises were allowed to take spectrum on lease from service providers to run private network.

Key emerging trends in the Indian telecom industry

- **Satellite communications:** Satellite internet, or broadband, is a wireless internet connection facilitated by communication satellites orbiting the earth. Offering global coverage, it is location-independent, accessible from anywhere within the satellite range, providing a versatile and widespread internet service. Since satellite internet is location-independent and accessible from anywhere, it can address the telecom industry's challenge of installing traditional network infrastructure in rural and remote areas with difficult terrains and other issues.

In 2023, the Government of India approved the Indian Space Policy 2023, which allows non-government entities to use low earth orbit (LEO) and medium earth orbit (MEO) satellites to provide broadband services in the country. Jio Satellite Communications Ltd and OneWeb India Communications Pvt. Ltd. (Eutelsat OneWeb) have been provided with global mobile personal communication by satellite (GMPCS) licences.

Initially, the primary focus of these companies would be on launching satellite internet services in India for enterprises. Jio presented JioSpaceFiber at the India Mobile Congress (IMC) 2023, while Airtel's exhibit highlighted solutions from OneWeb India Communications Private Ltd. (Eutelsat OneWeb). Amazon and Starlink have applied for licence for satellite internet. Satellite has the potential to bridge the digital divide by covering hitherto uncovered, remote areas, while serving the country's disaster, maritime and defence requirement.

- **5G fixed wireless access:** The emergence of 5G is facilitating a ground-breaking convergence between mobile technology and the requirements of fixed-line services and pricing. Catering to home and business needs in areas, where laying and maintaining fibre is cost-prohibitive, FWA empowers network operators to provide ultra-high-speed broadband to suburban and rural regions, especially those in fibre-dark areas. Based on this technology, Jio and Airtel have launched FWA services JioAirFiber and Xstream AirFiber, respectively. Airtel piloted this service in August 2023 in Delhi and Mumbai, while Jio started offering its service from September 2023 in eight cities. FWA has the potential to overcome challenges related to last-mile connectivity of fibre infrastructure in rural and urban regions of India. Since this technology is based on 5G, it can be used for faster monetisation of 5G services in India as well.

- **5G application development labs:** In Union Budget 2023, the Finance Minister of India announced the government's plan to set up 100 labs in engineering institutions to develop applications using 5G services. These labs will play a crucial role in investigating possibilities across various industries, such as smart classrooms, precision farming, intelligent transport systems and healthcare. The central government has also made a provision of ₹ 55.6 million for 5G testbed in Fiscal 2024.

- **Investment in domestic telecom equipment manufacturing capabilities** : The research and development arm of DoT — Centre for Development of Telematics - received ₹ 5,500 million from the central government for Fiscal 2024, compared with ₹ 500 million in Fiscal 2023. This financial commitment is anticipated to stimulate progress and creativity in the telecommunications industry, fostering advancements in technology and services.

  The government's PLI scheme for mobile, telecom and networking products aims to offer financial incentives to boost domestic manufacturing and attract investments in target segments. Such initiatives will boost the availability of equipment and devices in the domestic market, catering to both demand and supply markets. This, in turn, is expected to lower import bill and drive growth in the telecom sector.

- **Green telecom:** To align with sustainability and environmental protection goals, telecom companies are transitioning towards green telecom. To reduce greenhouse gas (GHG) emissions from power consumption related to tower assets, the telecom industry is exploring solutions such as distributed solar plants, lithium-ion storage plants and piped natural gas ("**PNG**") gensets, which will help reduce diesel consumption by towers. According to TRAI, going green has become necessary for telecom operators, given that energy costs account for 25% of their operating expenses. Amid rising environmental concerns related to GHG emissions, the DoT has set up a green passport lab with a facility to carry out energy-efficiency testing of various telecom equipment.

- **6G vision**: Globally and in India, initial 6G networks are expected to be deployed around 2030.

  The Government of India has prepared a Bharat 6G Vision document and constituted Bharat 6G Mission and an Apex Council. The objectives, structure and functions of the Apex Council and Bharat 6G Mission are to be completed in two phases: Phase-1 and Phase-2 over 2023-25 and 2025-2030, respectively. Further, Bharat 6G Alliance (B6GA), an alliance of domestic industry, academia, national research institutions and standards organisations, has also been set up to facilitate the implementation of Bharat 6G Vision. B6GA has signed a memorandum of understanding with the Next G Alliance of the US to explore collaboration opportunities on 6G wireless technologies. Further, the government is funding the 6G THz testbed with orbital angular momentum and multiplexing. The project aims to enhance understanding of higher millimetre wave and sub-terahertz deployment scenarios and facilitate research on optical angular momentum (OAM), a key enabling technology for implementing 6G services. Subsequently, 'ubiquitous connectivity' is a usage scenario proposed by India for inclusion in the 6G framework and now part of the International Telecommunication Union 6G Framework. With all the development, matured 6G deployment is nearly a decade away.

Rajasthan and Northeast macroeconomic overview

Rajasthan's GSDP clocked a 5.7% CAGR between Fiscals 2014 and 2023

Rajasthan is the largest state in India in terms of geographical area (342,239 sq. km, or 10.4% of India's total area). Rajasthan's gross state domestic product (GSDP) grew at a CAGR of 5.7% between Fiscals 2014 and 2023, from ₹ 4,862 billion to ₹ 7,994 billion. Its GDP growth between Fiscals 2014 and 2023 closely mirrors India's overall GDP growth of 5.6%. Per-capita net state domestic product (NSDP) of Rajasthan increased to ₹ 86,134 in Fiscal 2023 from ₹ 61,053 in Fiscal 2014, implying a CAGR of

3.9% between Fiscals 2014 and 2023. The state's per-capita NSDP was around 12.4% lower than India's per-capita NDP, as of Fiscal 2023.

GSDP (constant) and per-capita NSDP of Rajasthan

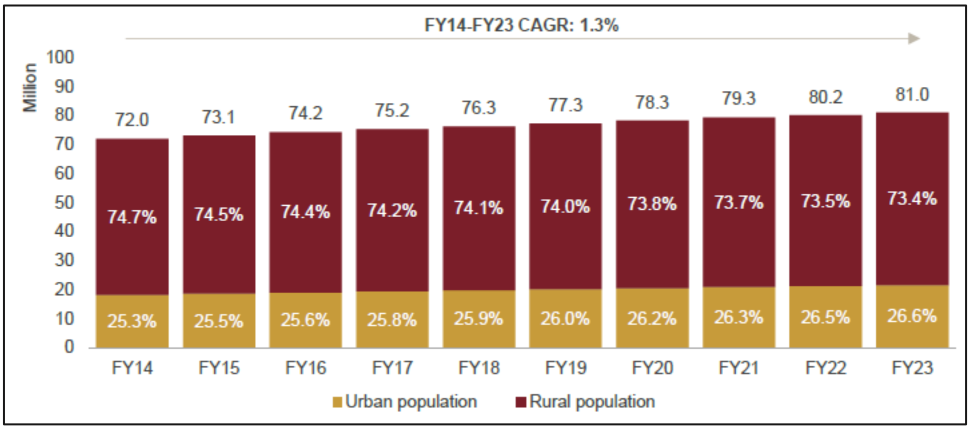
	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR (Fiscal 2014-2023)	CAGR (Fiscal 2014-2022)
Rajasthan GSDP	4,862.3	5,215.1	5,633.4	5,967.5	6,280.2	6,432.8	6,767.9	6,635.2	7,389.2	7,994.5	5.7%	5.4%
Rajasthan GSDP as % of India GDP	5.0%	5.0%	5.0%	4.8%	4.8%	4.6%	4.7%	4.8%	5.0%	5.0%	-	-
Rajasthan per capita NSDP	61,053	64,496	68,565	71,324	73,529	73,975	76,643	73,140	80,545	86,134	3.9%	3.5%
India GDP	98,014	105,277	113,695	123,082	131,446	139,929	145,346	136,871	149,258	160,064	5.6%	5.4%
India per capita NDP	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	92,583	98,374	4.1%	3.8%

Source: MoSPI, CRISIL MI&A

Urban population accounted for 26.6% of Rajasthan's total population in Fiscal 2023

As of Fiscal 2023, the population of Rajasthan was estimated at 81.0 million, with the rural population accounting for 73.4% and urban population for 26.6%. The share of urban population grew from 25.3% in Fiscal 2014 to 26.6% in Fiscal 2023. Overall population CAGR was 1.3% between Fiscals 2014 and 2023. Rajasthan had a higher share of rural population, compared with India (65%) as of Fiscal 2023.

Population of Rajasthan with rural-urban split



Source: MoHFW, CRISIL MI&A

GSDP of the Northeast region clocked a 5.6% CAGR between Fiscals 2014 and 2022

India's Northeast circle accounts for 1.1% of India's population and nearly 4.7% of geographical area.

The Northeast region considered in this report is as per the DoT's licence for the Northeast circle, which excludes Sikkim and Assam. The Northeast circle includes Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. The region's GSDP increased to ₹ 1,440.4 billion in Fiscal 2022 from ₹ 928.3 billion in Fiscal 2014, marking a CAGR of 5.6%. The region's GSDP grew 20 basis points faster than India's GDP growth rate. The per-capita NSDP of Northeast rose to ₹ 84,948 in Fiscal 2022 from ₹ 59,998 in Fiscal 2014, clocking a CAGR of 4.4%. The region's per-capita NSDP was around 8.2% lower than India's overall per-capita NDP as of Fiscal 2022, but the NSDP grew 60 basis points faster than India's per-capita GDP growth during the same period.

GSDP (constant) of Northeast region (Rs billion)

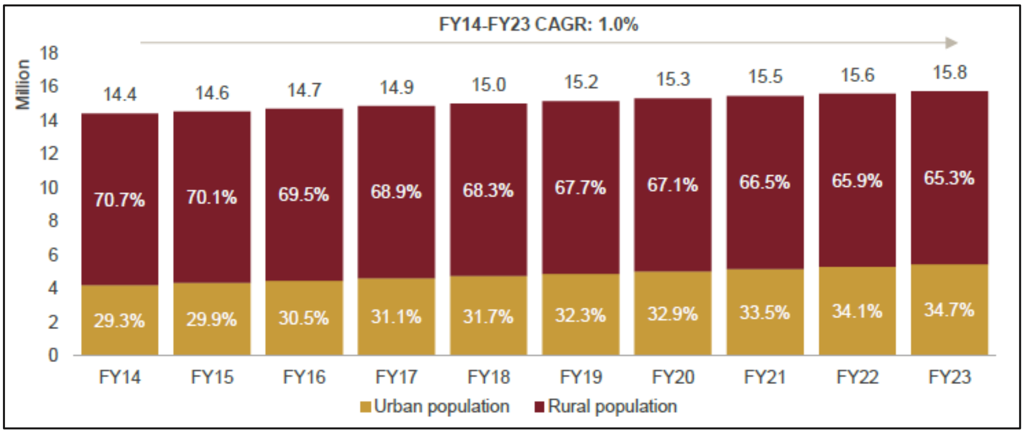
	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR (Fiscal 2014-2023)	CAGR (Fiscal 2014-2022)
Arunachal Pradesh	123.4	143.8	142.4	148.9	155.7	166.7	191.4	184.5	198.0	226.0	7.0%	6.1%
Manipur	141.2	152.4	164.2	170.8	187.5	182.6	191.9	180.7	205.1	NA	N. ap.	4.8%
Meghalaya	207.3	201.4	206.4	217.3	225.6	237.2	249.2	229.7	242.7	252.1	2.2%	2.0%
Mizoram	90.4	112.6	123.2	136.0	147.6	161.0	178.8	164.3	184.9	NA	N. ap.	9.4%
Nagaland	137.9	144.0	146.6	156.5	164.4	168.74	184.8	183.6	203.2	221.1	5.4%	5.0%
Tripura	228.2	269.7	267.9	305.4	330.9	367.5	380.6	364.0	394.9	430.0	7.3%	7.1%
Total – Northeast	**928.3**	**1,023.9**	**1,050.7**	**1,134.9**	**1,211.8**	**1,283.7**	**1,376.8**	**1,316.3**	**1,440.4**	**NA**	**N. ap.**	**5.6%**
Northeast GSDP as % of India GDP	0.95%	0.97%	0.92%	0.92%	0.92%	0.92%	0.95%	0.96%	0.97%	N. ap.	-	-
Northeast per capita NSDP	59,998	66,739	67,552	71,570	77,135	79,894	85,365	79,099	84,948	N. ap.	-	4.4%
India GDP	98,014	105,277	113,695	123,082	131,446	139,929	145,346	136,871	149,258	160,064	5.6%	5.4%
India per capita NDP	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	92,583	98,374	4.1%	3.8%

Note: NA – not available; N. ap. – not applicable
Source: MoSPI, CRISIL MI&A

Urban population accounted for 34.7% of Northeast's total population in Fiscal 2023

As of Fiscal 2023, the estimated population of the Northeast region was 15.7 million, with the rural population accounting for 65.3% and the urban population for 34.7%. The share of urban population grew from 29.3% in Fiscal 2014 to 34.7% in Fiscal 2023. The overall population grew at a CAGR of 1.0% between Fiscals 2014 and 2023. The Northeast's share of rural population was comparable with that of India's (65%) as of Fiscal 2023.

Population of the Northeast region



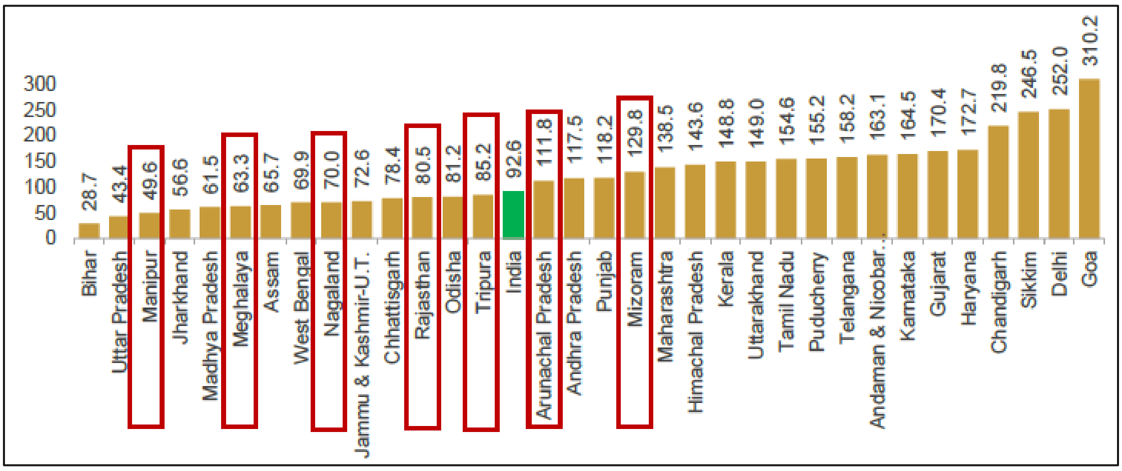
Source: MoHFW, CRISIL MI&A

Economic factors to drive growth for Rajasthan and the Northeast region

Potential for growth in per-capita income with economic expansion

Rajasthan had a per-capita income of ₹ 80,545 in Fiscal 2022, below India's average per-capita income of ₹ 92,583. Manipur, Meghalaya, Nagaland and Tripura, which are a part of the Northeast circle, reported a lower per-capita income (Rs 49,600, ₹ 63,300, ₹ 70,000 and ₹ 85,200, respectively) than India's average per-capita income (₹ 92,583) in Fiscal 2022. Rajasthan and the Northeast region have potential for growth in per-capita income at par with pan-India growth, as both central and state governments are focusing on improving the infrastructure accessibility in these regions, which is expected to drive economic growth over the medium-to-long term.

Per-capita net income across states at constant prices for Fiscal 2022 (in ₹ ’000)



Source: RBI, CRISIL MI&A

Investments to improve infrastructure penetration in Rajasthan and the Northeast states

An established physical infrastructure is needed for the overall development of a state. Growth in the infrastructure sector plays a crucial role in generating employment opportunities, supporting growth in the per-capita income. Also, in the era of digitisation, the IT and communications sector will be among the keys sectors that will play a critical role in boosting the overall economy of the states, creating new milestones for online information flow.

Both Central and state governments are implementing various schemes in Rajasthan to develop necessary infrastructure facilities, generate additional employment opportunities, encourage economic development and bring qualitative improvements in the standard of living to reduce the regional imbalance within rural and urban areas.

- For Fiscal 2024, under economic services, Rajasthan has earmarked ₹ 53.7 billion for the Department of Information Technology & Communication, which includes ₹ 35.0 billion for the CM Digital Services Scheme and ₹ 4.3 billion for Rajiv Gandhi Fintech Digital Institute, Jodhpur
- Rajasthan has invested more than ₹ 500 billion in highway infrastructure over the last five years to improve road density and connectivity in the region. Its road density (916 per 1,000 sq. km) is lower than India’s reported average national road density (1,652 per 1,000 sq. km), as per the Basic Roads Statistics of India (2018-19).

The government has been implementing various infrastructure development projects in the Northeast states since Fiscal 2017 to improve air, rail, road, waterway, power and telecom connectivity.

- Around 40+ projects were completed over Fiscals 2017-2023 to improve air connectivity, with 17 operational airports in the Northeast region as of Fiscal 2023
- About 2,011 km of railway projects are in various stages of planning/approval/execution in the Northeast region, including establishing new railway lines, converting gauges and doubling railway lines
- Telecom connectivity: The BharatNet Project has been implemented in a phased manner to provide broadband connectivity to all Gram Panchayats (GPs) in the country, including Northeast region (NER). Funds disbursed for NER under this scheme amounted to ₹ 6.4 billion over Fiscals 2017 to 2022

  The BharatNet Project is implemented in a phased manner to provide broadband connectivity to about 2.6 lakh GPs and all inhabited villages beyond GPs in the country. The government plans to connect all villages through optical fibre by calendar year 2025. As of December 2023, 2.1 lakh GPs were connected through 675,466 km of OFC laid, 7.8 lakh fibre-to-the-home (FTTH) connections were commissioned, and 1.0 lakh wi-fi hotspots were installed to ensure last-mile connectivity through the BharatNet Project

- Power connectivity: Northeastern Region Power System Improvement Project (NERPSIP) aims to strengthen intra-state transmission and distribution system (33kV and above) in six states (Assam, Manipur, Meghalaya, Mizoram, Tripura and Nagaland). Additionally, a comprehensive scheme for strengthening of transmission and distribution systems has been implemented in Arunachal Pradesh and Sikkim. These initiatives are helping improve power connectivity in NER. About 2.6 million households have been electrified since the launch of the Saubhagya scheme in NER, which aims to provide electricity connections to all un-electrified households in rural areas and all poor households in urban areas in the country
- Road connectivity: A total of 4,016 km of roads are under various stages of completion in NER under the Ministry of Road Transport and Highways, and 3,100 km of roads have been constructed since Fiscal 2017. Among the Northeast states,

Arunachal Pradesh, Mizoram and Manipur have lower road density (660, 771 and 1,451 per 1,000 sq. km, respectively) than the national average (1,652 per 1,000 sq. km)

Focus on digital infrastructure in Rajasthan and the Northeast region

Rajasthan and the Northeast region are focusing on digitisation, since demand for telecommunication services is expected to rise, as the economy expands and penetration of telecommunication services deepens. Rising per-capita income provides a significant opportunity for the telecommunications industry, especially from the under-penetrated rural and semi-urban markets. Governments in these regions have undertaken various steps and schemes to expand digital infrastructure. Some of these are as follows:

- State governments in the Northeast region, along with the central government, are focusing on expanding digital infrastructure in the region to establish it as India's growth engine. Subsequently, investments totalling over ₹ 5,000 billion have been made in connectivity and infrastructure development in the region over the past decade since Fiscal 2014
- In September 2023, India's first 5G training labs and 5G applications in the healthcare sector were launched in all Northeast states, as a step towards establishing a 5G digital ecosystem in the region
- In 2018, the government launched the 'Digital North East Vision 2022' to transform the lives of the Northeast people by leveraging digital technologies
- To provide network connectivity to government departments, GPs and municipal areas across the state, the Government of Rajasthan implemented the RajNET programme in 2016. The programme uses multiple modes of connectivity, with a 96.8% completion rate for 9,309 total targeted sites as on December 21, 2023
- The government of Rajasthan launched the Raj Wi-Fi project in Fiscal 2018, which is aimed at providing a Wi-Fi network to government offices, public places and GPs (access points: 3,811 in urban areas and 9,960 in rural areas) in Rajasthan
- The progress made under the Comprehensive Telecom Development Plan (CTDP) for the Northeast region to provide mobile coverage to 8,621 identified uncovered villages, installation of 321 mobile tower sites along national highways, and strengthening of the transmission network in the region have positively impacted wireless connectivity

  As of November 2022, 1,358 mobile towers had been installed in uncovered villages in these states under the CTDP. In addition, 20 Gbps international bandwidth for internet connectivity has been commissioned to Agartala from Bangladesh Submarine Cable Company Ltd via Cox Bazar / Kuakata, Bangladesh.

An overview of the telecom market in the Rajasthan and Northeast circles

Telecommunication is the backbone of modern economies and one of the essential services that ensure growth and modernisation of various sectors of the economy. Its importance has multiplied in recent years because of the rapid advancement, and cascading impact, of information technology on the economy, such as through strengthening of communications among various areas, segments and communities.

In Rajasthan, the number of telecom customers in the nine months of Fiscal 2024 stood at 67.0 million (compared with 64.4 million in Fiscal 2023), accounting for 5.6% (5.5%) of the country's telecom customers. In the Northeast region, the number of telecom customers as of the nine months of Fiscal 2024 and in Fiscal 2023 stood at 12.7 million and 12.6 million respectively, accounting for 1.1% of the country's telecom customers in both periods.

An overview of Rajasthan and Northeast telecom customers

Telecom parameter (million)	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024	CAGR Fiscal 2014-Fiscal 2023
Total customers – Rajasthan	53.6	56.0	60.8	68.1	65.8	64.8	66.0	66.8	63.9	64.4	67.0	2.1%
Share – Rajasthan circle	5.7%	5.6%	5.7%	5.7%	5.5%	5.5%	5.6%	5.6%	5.5%	5.5%	5.6%	-
Total customers – Northeast	9.5	10.6	11.1	12.6	13.9	12.1	12.1	12.6	12.1	12.6	12.7	3.1%
Share – Northeast circle	1.0%	1.1%	1.0%	1.1%	1.2%	1.0%	1.0%	1.0%	1.0%	1.1%	1.1%	-

Telecom parameter (million)	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024	CAGR Fiscal 2014-Fiscal 2023
Total customers – overall India	933.0	996.5	1,058.9	1,194.6	1,206.2	1,183.5	1,178.0	1,201.2	1,166.9	1,172.3	1,190.3	2.6%

Source: DoT, TRAI, CRISIL MI&A

Rajasthan customers grew by approximately 2.1% CAGR between Fiscals 2014 and 2023

The number of customers in Rajasthan grew at a CAGR of approximately 2.1% between Fiscals 2014 and 2023, from 53.6 million to 64.4 million. This growth has significantly contributed to the Rajasthan circle's enhanced teledensity of 79.5% as of Fiscal 2023 (81.9% as of the nine months of Fiscal 2024), compared with 75.4% as of Fiscal 2014.

Despite this growth, Rajasthan's teledensity was below the national average by approximately 500 basis points in Fiscal 2023 (329 basis points in the nine months of Fiscal 2024); India's teledensity was 84.5% as of Fiscal 2023 (85.2% as of nine months of Fiscal 2024). The lower teledensity in the Rajasthan circle was due to the state's lower rural teledensity of 57.2% as of Fiscal 2023, with its rural population accounting for nearly 73.4% as of same Fiscal. Similar to pan-India, Rajasthan has seen a trend of declining teledensity from Fiscal 2018 due to SIM consolidation.

The Government of India is implementing schemes, such as the 4G saturation project, for the provision of 4G mobile services across all uncovered villages of the country, including Rajasthan, to expand the network coverage, thus supporting a rise in the number of telecom customers.

Like elsewhere in India, telecom customers in Rajasthan mainly used wireless services with 98.5% of the total customers being wireless customers (compared with 97.3% pan-India) as of the nine months of Fiscal 2024. This high dependence reflects the limited penetration of wireline services amid the challenges of establishing relevant infrastructure. The state's dry climate and desert terrain pose challenges in laying and maintaining the physical infrastructure required for wireline telecom services.

Wireline-wireless telecom customer split — Rajasthan

Telecom parameter (million)	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024	CAGR Fiscal 2014-Fiscal 2023
Total customers	53.6	56.0	60.9	68.1	65.8	64.8	66.0	66.8	63.9	64.4	67.0	2.1%
Wireless customers	52.7	55.2	60.1	67.4	65.2	64.2	65.5	66.3	63.2	63.6	66.0	2.1%
Wireless as % of total	98.3%	98.5%	98.7%	98.9%	99.1%	99.2%	99.3%	99.3%	98.9%	98.7%	98.5%	-
Wireline customers	0.9	0.8	0.8	0.7	0.6	0.5	0.4	0.5	0.7	0.8	0.95	-1.3%
Wireline as % of total	1.7%	1.5%	1.3%	1.1%	0.9%	0.8%	0.7%	0.7%	1.1%	1.3%	1.4%	

Source: DoT, TRAI, CRISIL MI&A

Teledensity

	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024
Rajasthan teledensity (%)											
Total	75.4	77.8	83.4	92.0	87.8	85.3	85.9	84.1	79.6	**79.5**	81.9
Wireline	1.3	1.1	1.1	1.0	0.8	0.7	0.6	0.6	0.9	**1.0**	-
Wireless	74.1	76.6	82.3	91.0	87.0	84.6	85.3	83.6	78.8	**78.4**	-
Rural	48.6	53.6	58.3	61.7	60.1	57.6	61.3	62.4	58.3	**57.2**	-
Urban	160.0	153.9	162.0	186.8	174.4	171.6	162.0	145.1	138.8	**140.8**	-
India teledensity (%)											
Total	75.2	79.4	83.4	93.0	93.3	90.1	88.7	88.2	84.9	84.5	85.2
Wireline	2.3	2.1	2.0	1.9	1.8	1.7	1.4	1.5	1.8	2.1	2.3
Wireless	72.9	77.2	81.4	91.1	91.5	88.5	87.2	86.7	83.1	82.5	83.0
Rural	44.0	48.0	51.3	57.0	59.3	57.5	57.9	60.2	58.0	57.7	58.6
Urban	145.5	149.0	154.2	171.5	166.6	159.7	153.7	141.3	135.2	134.2	133.8

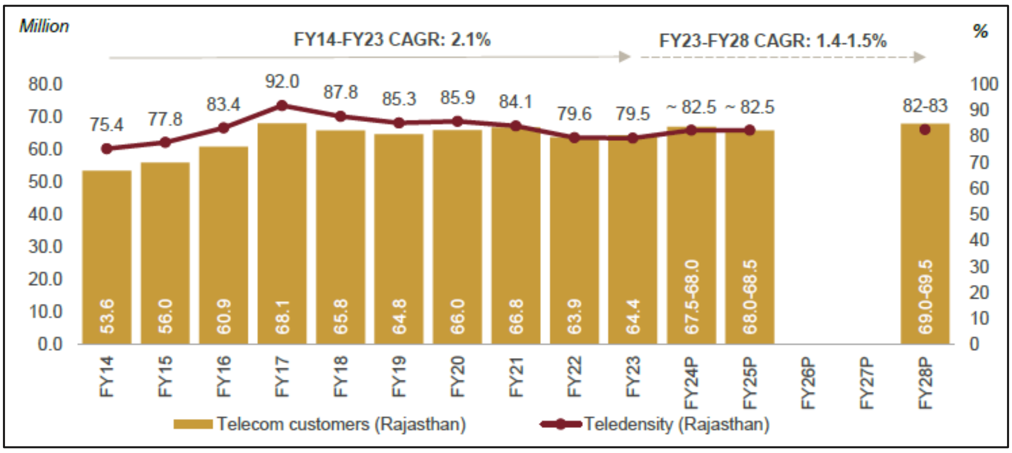
Source: DoT, TRAI, CRISIL MI&A

Rajasthan customers to grow at CAGR 1.4% - 1.5% between Fiscals 2023 and 2028

The customer base in the Rajasthan circle is expected to log a CAGR of 1.4% - 1.5% between Fiscals 2023 and 2028, to reach 69.0 million to 69.5 million, with a teledensity of 82-83%, in line with the pan-India trend of rising rural teledensity. By Fiscal

2028, approximately 98.5% of the customers are expected to be on wireless and the balance wireline. Rajasthan's focus on resolving regional imbalances and supporting growth in rural areas will create demand for telecom services in rural areas of the state, driving customer growth.

Customer base — Rajasthan



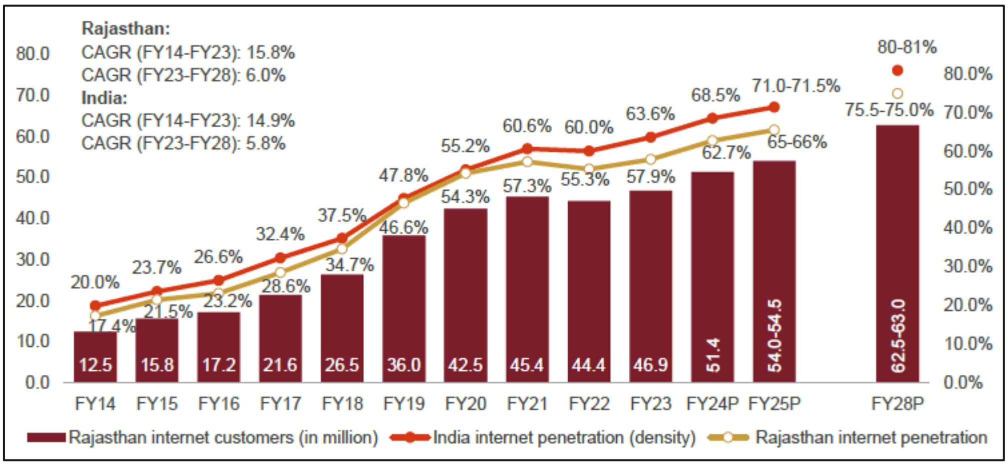
P: Projected; Source: DoT, TRAI, CRISIL MI&A

Low internet penetration in Rajasthan offers strong growth prospects

The internet customer base in Rajasthan has grown significantly from 12.5 million in Fiscal 2014 to 46.9 million in Fiscal 2023, logging a CAGR of approximately 15.8%, outperforming the pan-India CAGR of 14.9%. As of Fiscal 2023, approximately 73.7% of all wireless customers of Rajasthan were data customers compared with just 17.6% as of Fiscal 2014.

Despite the growth, internet penetration in Rajasthan remains lower at 57.9% as of Fiscal 2023 than the national average of 63.6%. The reason for the discrepancy is that at 37.3%, the state's rural internet density lags the national average of 39.8%. Rajasthan's relatively large rural population impacts the overall internet penetration in the region. The total number of internet customers in the circle is projected to reach 54.0 million to 54.5 million by Fiscal 2025, with penetration at 65%-66%. By Fiscal 2028, the number is projected to reach 62.5 million to 63.0 million from 46.9 million in Fiscal 2023, clocking a CAGR of approximately 6.0%. The growth will be supported by the increase in per capita income, penetration of services in rural areas aided by the Universal Service Obligation Fund (USOF), evolution in the data consumption landscape, average data or service cost changes in the industry and price of various internet consumption devices.

Internet customer and penetration — Rajasthan



P: projected; Internet penetration is per 100 population; Source: DoT, TRAI, CRISIL MI&A

Data and non-data wireless telecom customer split (Rajasthan)

Year	Data customer and non-data customer share	
Fiscal 2014	23.8%	76.2%
Fiscal 2023	73.7%	26.3%

Data customer share	*Non-data customer share*

Note: Data customers share = Wireless internet customers/total wireless customers; Source: DoT, TRAI, CRISIL MI&A

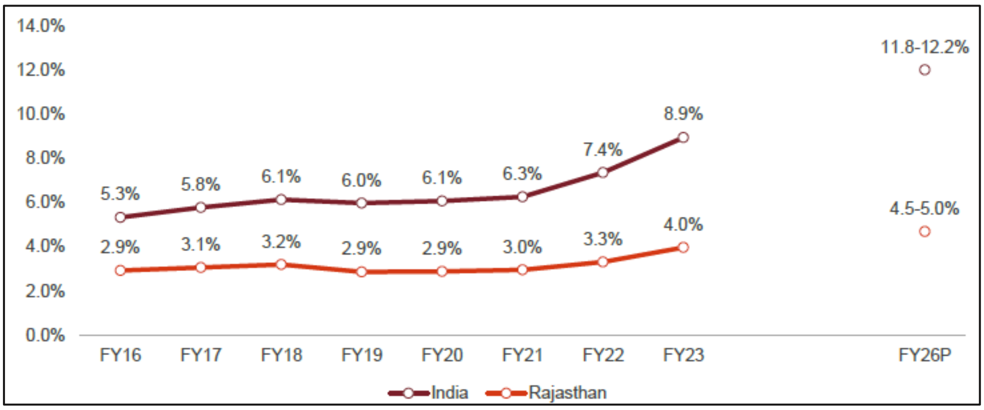
Low wireline penetration bodes well for wireless growth in Rajasthan

Between Fiscals 2016 and 2023, wireline internet density in the Rajasthan circle was lower than the national average. Pan-India, wired broadband customers are concentrated in urban areas. Hard terrains in Rajasthan make last-mile connectivity a challenge.

As of Fiscal 2023, wired broadband customers in Rajasthan stood at 0.7 million, logging a CAGR of 5.8% from Fiscals 2016 levels. Wireline internet density in the circle, meanwhile, stood at 4.0% (percentage of households), up from 2.9% in Fiscal 2016. The national average was 8.9% in 2023 and 5.3% in 2016. The low wireline density in Rajasthan can be attributed to shortage of wireline internet infrastructure owing to lower population density, large landmass and higher rural population. Lower demand for reliable internet services at home also makes it less economical for service providers to set up more wireline infrastructure.

The dependence on wireless internet will support growth of wireless mobile services in the state. Low broadband penetration will provide some headroom for an increase in household penetration of broadband connections to 4.5-5.0% by Fiscal 2026, registering a CAGR of 5.0-5.5% between Fiscals 2023 and 2026 — on a par with pan-India CAGR of 5.0 – 5.5% during the period.

Wired broadband penetration

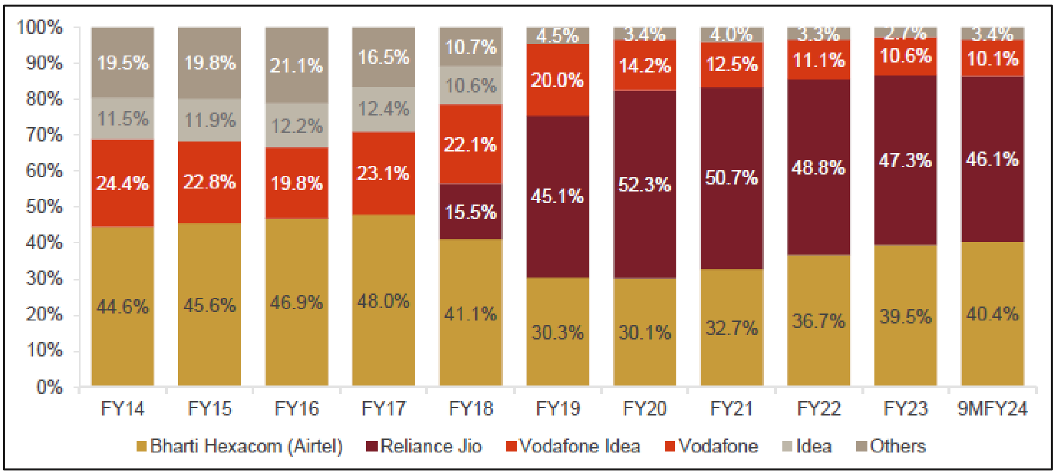


Source: DoT, CRISIL MI&A

Reliance Jio, Bharti Hexacom (Airtel) hold 86.5% RMS in Rajasthan

In recent times since Fiscal 2019, Rajasthan saw significant shifts (in line with the national market trend), RMS of the top two players in Rajasthan circle has been improving and for the nine months of Fiscal 2024 it has reached a number of 86.5% from 75.4% in Fiscal 2019. This indicates greater consolidation of market share with the top two players. In the nine months of Fiscal 2024, Reliance Jio enjoyed a RMS of 46.1%, followed closely by Bharti Hexacom (Airtel) with 40.4%, leaving limited room for other players such as Vodafone Idea and BSNL.

Telecom Rajasthan RMS (AGR) (wireless + wireline)



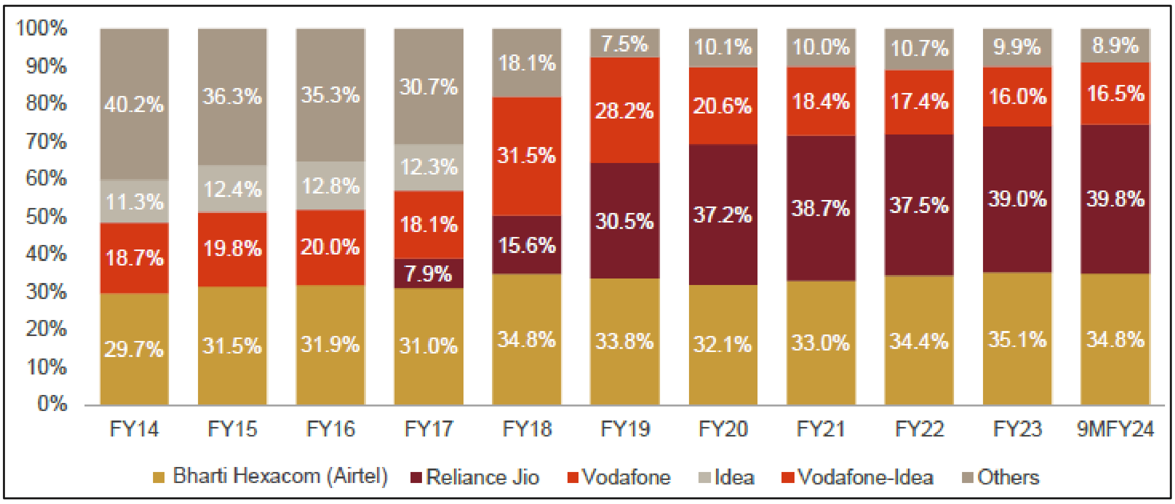
Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023. 9M represents cumulative revenue for nine months of the respective fiscal.

Reliance Jio, Bharti Hexacom (Airtel) hold approximately 75% CMS in Rajasthan

As of the nine months of Fiscal 2024, Reliance Jio, Bharti Hexacom (Airtel) and Vodafone Idea were the three major players in the Rajasthan circle, with CMS of 39.8%, 34.8% and 16.5%, respectively.

In the national telecom market, the top two players, Reliance Jio and Bharti Airtel, together enjoy approximately 72% CMS. In the Rajasthan market, they have an even higher market share of approximately 74.6%. The high concentration presents considerable challenges for new entrants attempting to gain a foothold in the region.

Telecom Rajasthan CMS (wireless + wireline)



Note: Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014; others include Reliance Communications, Tata Teleservices and BSNL in Fiscal 2023.
Market share is CMS; Source: DoT, TRAI, CRISIL MI&A

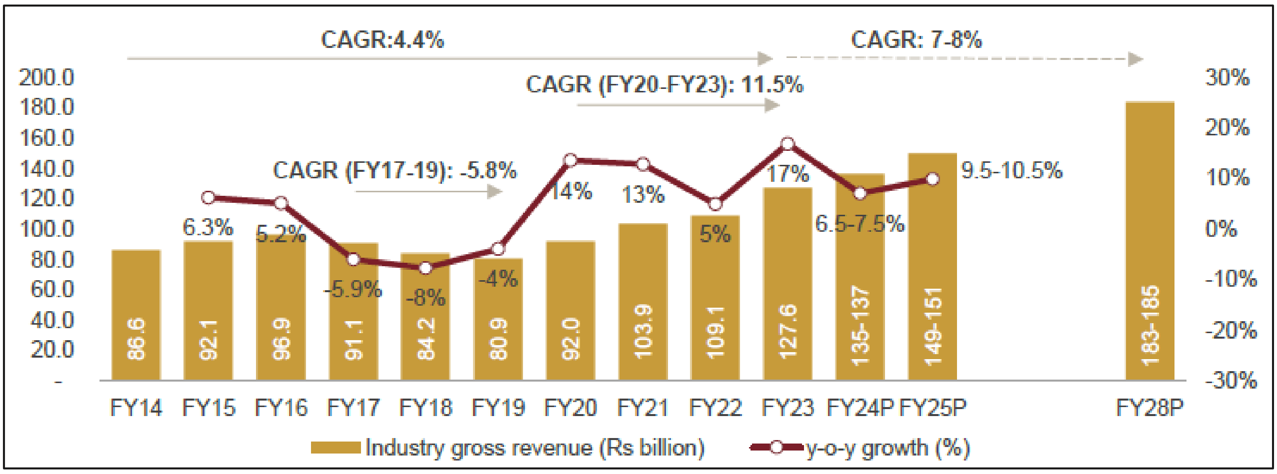
Additionally, Bharti Hexacom (Airtel) enjoys higher ARPU in Rajasthan than its peers, implying superior quality of its customers. This is reflected by Bharti Hexacom (Airtel)'s higher RMS at 40.4% than its customer share of 34.8%. Also, its RMS growth from Fiscal 2021 to the nine months of Fiscal 2024 was higher than that of its CMS, demonstrating a faster growth of ARPU for the company in the region.

Rajasthan telecom gross revenue to grow at 7-8% CAGR between Fiscals 2023 and 2028

Gross revenue of Rajasthan's telecom industry stood at approximately ₹ 127.6 billion in Fiscal 2023 (4.4% CAGR between Fiscals 2014 and 2023). In comparison, the national telecom industry clocked a faster approximately 5.6% CAGR to ₹ 2,680 billion in Fiscal 2023 from ₹ 1,648 billion in Fiscal 2014, supported by faster growth in customers and ARPU.

In Fiscal 2018, the circle saw a notable decline in revenue, in line with the trend in the national market. Reliance Jio's entry led to a drastic decrease in ARPU, which, in turn, negatively impacted the industry's revenue. However, the revenue started improving from Fiscal 2020 with the industry undertaking a calibrated tariff increase and the onset of Covid-19 leading to increased demand for data. The circle revenue grew a robust 17% in Fiscal 2023, in line with the national trend.

Total gross telecom revenue in Rajasthan



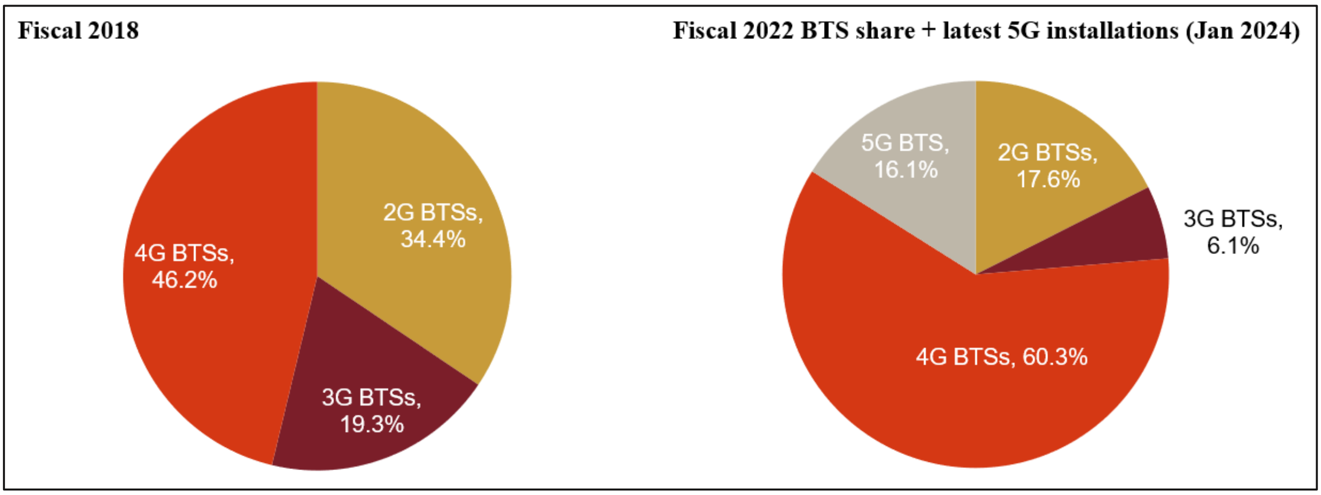
P: projected; Source: TRAI, CRISIL MI&A

The Rajasthan telecom industry is expected to log a CAGR of 7-8% between Fiscals 2023 and 2028 to ₹ 183-185 billion, supported by a rise in teledensity in the region, especially in the rural regions, higher tariffs and an increase in internet penetration in the state.

BTS infrastructure expanding rapidly in Rajasthan

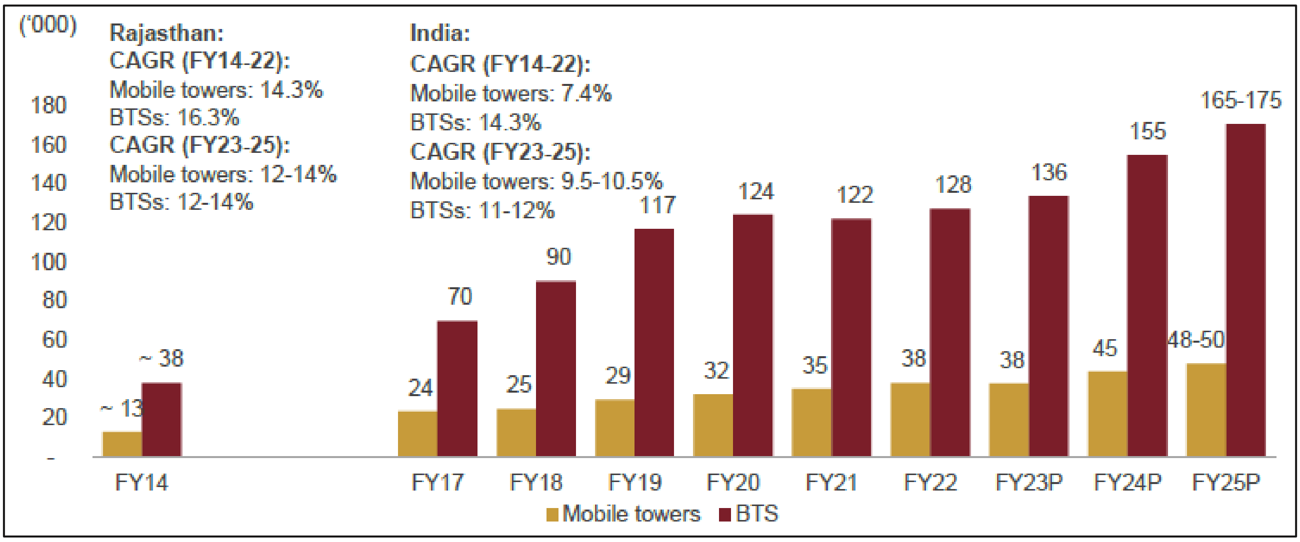
The estimated number of towers and base transceiver stations (BTSs) in Rajasthan stood at approximately 38,000 and approximately 136,000, respectively, as of Fiscal 2023. The number of BTSs in the circle as a percentage of total BTSs in India grew from 4.8% in Fiscal 2014 to 5.5% in Fiscal 2023. The share of 4G BTSs as of January 2024 was 60.3%. Notably, 5G BTSs also claimed a substantial share of 16.1% in overall BTSs installed. The share of 5G BTSs is expected to increase further with increase in coverage of 5G technology . With a significant coverage achieved in urban/ large cities, the focus is now shifting towards enhancing connectivity in Tier 2 and 3 cities, leading to a potential increase in 5G and 4G BTSs there. This shift will also help in a notable increase in both 5G and 4G BTS installations, particularly with the advancement of 5G technology in the region.

BTS split technology-wise — Rajasthan



Source: DoT, TRAI, CRISIL MI&A

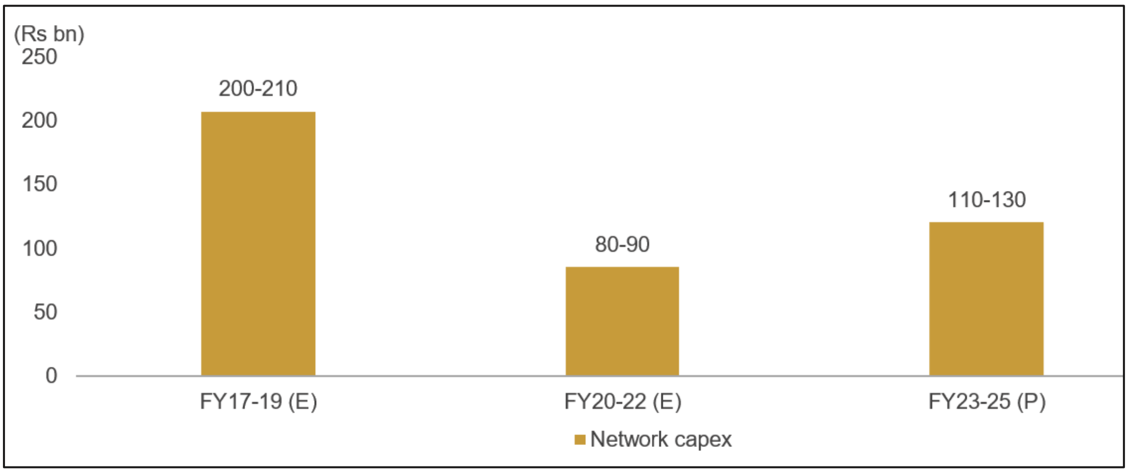
Number of BTSs and mobile towers in Rajasthan



P: projected; Source: DoT, CRISIL MI&A

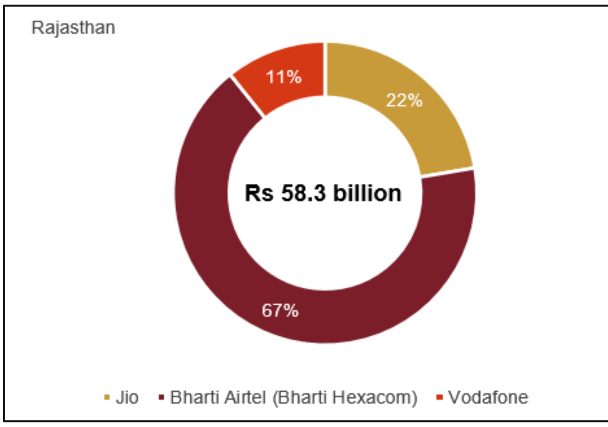
The number of both towers and BTSs is projected to clock a CAGR of 12% - 14% between Fiscals 2023 and 2025 (to 48,000-50,000 and 165,000-175,000, respectively). The increase in infrastructure is likely to result in a network capex of ₹ 110-130 billion in Rajasthan over the period. Over Fiscals 2017-2019, network capex in the circle was estimated at ₹ 200-210 billion, and over Fiscals 2020-2022 at ₹ 80-90 billion. It is projected to reach ₹ 110-130 billion over Fiscals 2023-2025. The capex has moderated in line with the pan-India trend, as competition in the industry has eased. During Fiscals 2017-2019, the industry's cumulative capex peaked, including for 4G spectrum and network investments. The massive capex and ultra-low tariffs forced smaller players to exit, resulting in a three-player market structure in Fiscal 2019. Going forward, investment is expected to grow moderately with improvement in technology and better utilisation of existing assets.

Network capex for Rajasthan



E: Estimated, P: Projected; Source: DoT, CRISIL MI&A

Player-wise bids for Rajasthan circle at 2022 spectrum auction



- Bid amounts for the Rajasthan circle totalled Rs 58.3 billion in the 2022 spectrum auction
- Reliance Jio accounted for 67% share of the bid amount, followed by Bharti Airtel (Bharti Hexacom), at 22%

Note: Adani Data Networks Limited has only 0.2% share in Rajasthan spectrum auction bid and hence is not included in the pie chart; Source: DoT, CRISIL MI&A

Key performance indicators (KPIs) of Rajasthan telecom market

Wireless ARPU logged double-digit CAGR between Fiscals 2019 and 2023

ARPU of the wireless segment in Rajasthan increased to ₹ 145.0 in Fiscal 2023 from ₹ 68.0 in Fiscal 2019, at a CAGR of 20.8%. The increase outpaced the India average, which rose to ₹ 142.3 from ₹ 71.0, at 19.0% CAGR. The pace of increase highlights the state's potential for continued robust growth of the telecom sector and sustained revenue increase for telecom players.

ARPU (wireless services / full mobility services)

Wireless ARPU	Fiscal 2014*	Fiscal 2015*	Fiscal 2016*	Fiscal 2017*	Fiscal 2018*	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR (Fiscal 2014-Fiscal 2023)	CAGR (Fiscal 2019-Fiscal 2023)
Rajasthan	103	112	110	71	67	68	87	99	126	145	3.9%	20.8%
India	113	120	125	83	76	71	91	104	127	142	2.6%	19.0%

** Fiscals 2014 to Fiscal 2018 figures are GSM ARPU*
Source: DoT, TRAI, CRISIL MI&A

Rajasthan's figure notably outperformed the national average, showcasing stronger ARPU growth and higher revenue generated per wireless user.

Prepaid customers have the lion's share, but postpaid customers increasing

In the Rajasthan circle, prepaid customers accounted for a dominant share of the wireless segment as of Fiscal 2023, at 95.1%, which was higher than 91.9% in the case of pan-India. The share of prepaid customers in the Rajasthan circle has been reducing marginally, moving towards postpaid since Fiscal 2020, due to better postpaid bundled tariff offerings by the telecom players.

In contrast, in developed markets such as the US and Germany, the share of postpaid customers is higher — 69-70% and 54% as of 2023, respectively. Even in countries such as Thailand and Brazil, the share of postpaid customers (including point of sales and mobile to mobile) is higher than in India – 30% and 57%, respectively, as of 2023. This demonstrates significant potential for postpaid uptake in the country and the circle.

% of prepaid customers in Rajasthan

Prepaid share	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Rajasthan	98.0%	97.5%	97.0%	97.2%	97.3%	97.8%	97.9%	97.7%	95.8%	95.1%
India	95.9%	95.6%	95.4%	95.4%	95.5%	94.4%	95.4%	95.0%	93.1%	91.9%

Notes:
1) *% share is as of the March quarter of the respective Fiscal years. Fiscals 2014 to 2018 figures represent GSM prepaid share and Fiscal 2019 to 2023 numbers represent wireless prepaid share; remaining % share is of postpaid customers.*
2) *GSM communication is a technology for providing wireless services.*

Source: DoT, TRAI, CRISIL MI&A

Despite a higher share of prepaid customers than the pan-India market, Rajasthan's overall ARPU is on a par with the pan-India average.

Given the potential shifting of customers to postpaid from prepaid, and higher postpaid ARPU, overall ARPU for the Rajasthan market has the potential to outperform the pan-India ARPU growth rate.

MoU for Rajasthan grew faster than pan-India over the last decade

Minutes of usage (MoU) in the wireless segment in Rajasthan clocked a CAGR of 6.5% between Fiscals 2019 and 2023, to 926 minutes per customer per month. In comparison, the national average MoU rose at a higher CAGR of 8.1% to 946 minutes. But between Fiscals 2014 and 2023, Rajasthan's MoU logged a faster CAGR of 12.0% versus the national average's 10.4% on a smaller base.

MoU

Total MoU	Fiscal 2014*	Fiscal 2015*	Fiscal 2016*	Fiscal 2017*	Fiscal 2018*	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR (Fiscal 2014-Fiscal 2023)	CAGR (Fiscal 2019-Fiscal 2023)
Rajasthan: Wireless MoU	335	339	332	377	630	719	719	790	943	926	12.0%	6.5%
India: Wireless MoU	389	383	381	405	584	692	750	818	955	946	10.4%	8.1%

** Fiscals 2014 to 2018 figures are GSM MoU; Source: DoT, TRAI, CRISIL MI&A*

Data consumption on par with national level

The monthly average wireless data usage per customer for Rajasthan was almost the same as the India average, indicating similar growth in data consumption as well as usage pattern.

Average wireless data usage (GB) per wireless data customer per month

Service area	2017	2018	2023
Rajasthan	4.1	7.4	18.4*
India	4.1	7.4	18.4

** Estimated for Rajasthan based on 2017 and 2018 trends and insights from industry interaction for increased data consumption in the region; Source: DoT, TRAI, CRISIL MI&A*

Telecom customers in Northeast circle grew approximately 3.1% CAGR over Fiscals 2014 to 2023

The number of customers in the Northeast circle rose to 12.6 million in Fiscal 2023 from 9.6 million in Fiscal 2014, at a CAGR of 3.1%. The increase in the customer base was faster than the pan-India CAGR of 2.6%.

Consequently, teledensity in the Northeast circle rose to 79.7% as of Fiscal 2023 (80.2% as of the nine months of Fiscal 2024) from 70.0% as of Fiscal 2014. Still, it lagged the national average, which stood at 84.5% for Fiscal 2023 (85.2% as of the nine months of Fiscal 2024).

The lower overall teledensity in the Northeast was because urban teledensity in the circle lagged the all-India average, at 111.0% versus 134.2% as of Fiscal 2023. However, in the case of rural teledensity, the Northeast performed better than the India average, at 63.1% versus 57.7% as of Fiscal 2023.

The high rural teledensity in the Northeast can be attributed to high dependence on wireless connectivity. Penetration of wired service / infrastructure in the region is low as reported by industry experts. The heavy dependence on wireless services is because of challenges in laying and maintaining wireline infrastructure, given the region's hilly terrain and extreme weather conditions. The region is also receiving special attention from the government towards infrastructure improvement.

Teledensity

	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024
Northeast teledensity, %											
Total	70.0	77.0	80.2	89.9	98.1	84.2	83.4	81.1	77.4	79.7	80.2
Wireline	1.0	0.9	0.9	0.9	0.8	0.7	0.6	0.7	1.1	1.4	-
Wireless	68.9	76.1	79.3	89.1	97.3	83.4	82.8	80.5	76.3	78.4	-
Rural	42.7	51.1	54.0	60.5	66.8	44.3	53.3	61.6	58.2	63.1	-
Urban	153.0	154.9	158.2	176.4	188.8	198.6	168.5	119.7	114.2	111.0	-
India teledensity, %											
Total	75.2	79.4	83.4	93.0	93.3	90.1	88.7	88.2	84.9	84.5	85.2
Wireline	2.3	2.1	2.0	1.9	1.8	1.7	1.4	1.5	1.8	2.1	2.3
Wireless	72.9	77.2	81.4	91.1	91.5	88.5	87.2	86.7	83.1	82.5	83.0
Rural	44.0	48.0	51.3	57.0	59.3	57.5	57.9	60.2	58.0	57.7	58.6
Urban	145.5	149.0	154.2	171.5	166.6	159.7	153.7	141.3	135.2	134.2	133.8

Source: DoT, TRAI, CRISIL MI&A

Majority of the telecom customers in the Northeast have wireless connections (approximately 98.4% share in Fiscal 2023), similar to pan-India (97.6%).

Having said that, the number of wireline customers are increasing in the region, in line with the overall India trend. The wireline customer base in the region reached approximately 0.2 million in Fiscal 2023 vs. approximately 0.1 million in Fiscal 2014, at a CAGR of approximately 4.0% on a low base.

Wireline-wireless telecom customers in the Northeast

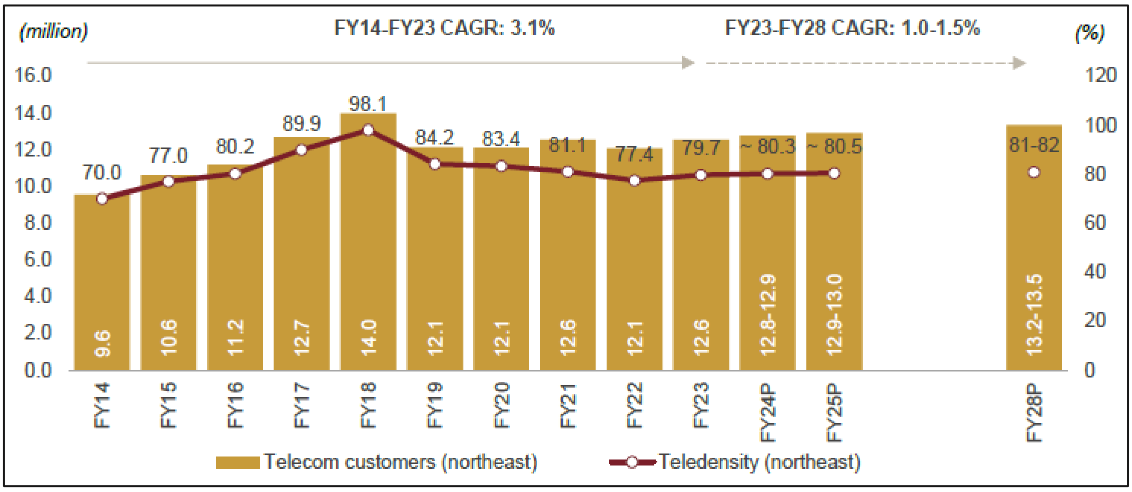
Telecom parameter (million)	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2024	CAGR Fiscal 2014-Fiscal 2023
Total customers	9.6	10.6	11.2	12.7	14.0	12.1	12.1	12.6	12.1	12.6	12.7	3.1%
Wireless customers	9.4	10.5	11.1	12.6	13.9	12.0	12.0	12.5	11.9	12.4	12.5	3.1%
Wireless as % of total	98.5%	98.8%	98.8%	99.1%	99.2%	99.1%	99.3%	99.2%	98.7%	98.4%	98.0%	
Wireline customers	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	4.0%
Wireline as % of total	1.5%	1.2%	1.2%	0.9%	0.8%	0.9%	0.7%	0.8%	1.3%	1.6%	2.0%	

Source: DoT, TRAI, CRISIL MI&A

Northeast to log 1.0-1.5% CAGR in telecom customers between Fiscals 2023 and 2028

The customer base in the Northeast circle is expected to rise at 1.0-1.5% CAGR between Fiscals 2023 and 2028, to 13.2-13.5 million, with teledensity at 81-82%. Wireless customers are expected to account for approximately 98% share in Fiscal 2028, with the balance approximately 2% wireline customers.

Telecom customers in Northeast



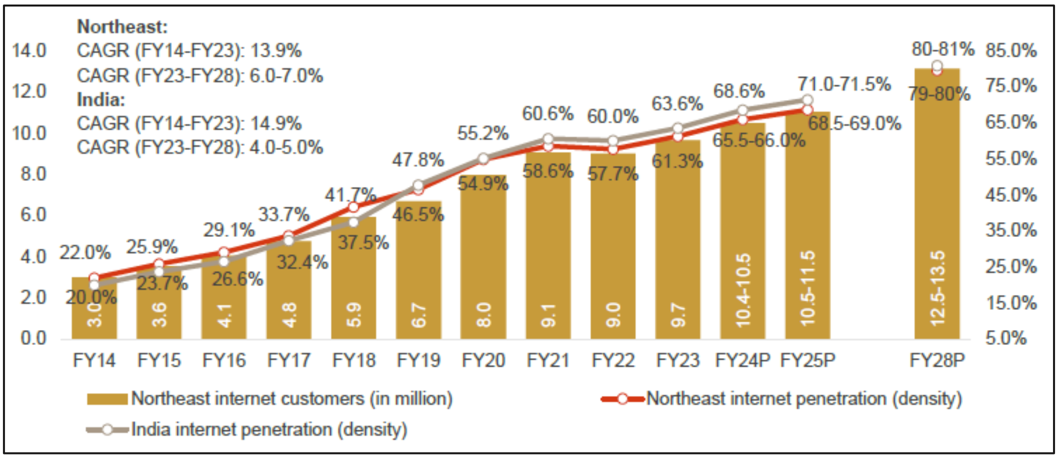
P: Projected; Source: DoT, TRAI, CRISIL MI&A

At 61.3%, internet penetration in Northeast slightly below India average of 63.6%

Internet penetration in the Northeast circle largely mirrored the pan-India trend. The number of internet customers in the Northeast circle clocked approximately 13.9% CAGR between Fiscals 2014 and 2023 to reach approximately 9.7 million compared with 14.9% CAGR for India overall. Further, internet penetration increased from 22.0% as of Fiscal 2014 to 61.3% as of Fiscal 2023, only slightly behind India's internet penetration of 63.6%.

Increase in smartphone penetration to 64% (in Fiscal 2023) is driving demand for mobile data consumption. By Fiscal 2028, internet customers in the Northeast are projected to reach 12.5-13.5 million, at a CAGR of 6.0% - 7.0% between Fiscals 2023 and 2028. In the Northeast, the increase in internet customers will be supported by growth in per capita income, increased penetration of services in rural areas, supported by USOF funding, evolution in the data consumption landscape and average data/ service cost changes in the industry, as well as decline in the cost of various internet consumption devices.

Internet customers and penetration in Northeast



P: Projected; Note: Internet penetration is per 100 of the population; Source: DoT, TRAI, CRISIL MI&A

In fact, as of Fiscal 2023, approximately 78.1% of the wireless customers in the Northeast accessed data compared with just 31.9% in Fiscal 2014. Going forward, the rise in demand for data is expected to support growth in the ARPU for telecom players in the region.

Data and non-data wireless telecom customer split in Northeast

Year	Share of data and non-data customers	
Fiscal 2014	31.9%	68.1%
Fiscal 2023	78.1%	21.9%

Data customer share *Non-data customers share*

Note: Data customers share = Wireless internet customers/total wireless customers

Source: DoT, TRAI, CRISIL MI&A

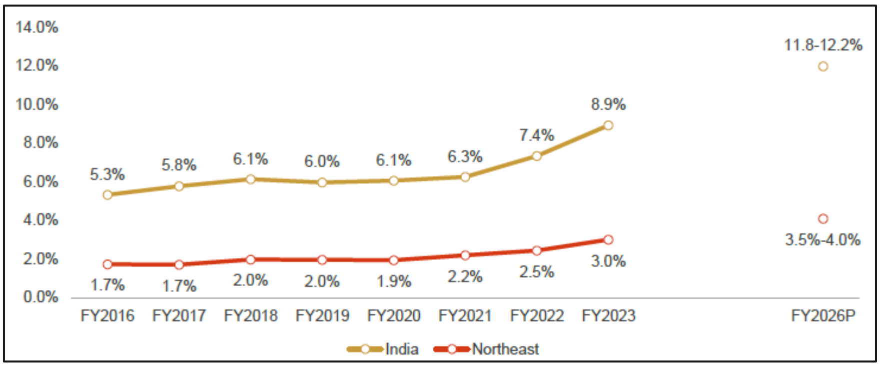
Internet consumption skewed towards wireless in the Northeast; wireline internet penetration lower than national average

Between Fiscals 2016 and 2023, wireline internet density in the Northeast was 3.0%, lower than India's 8.9%. On a pan-India basis, wired broadband customers are concentrated in urban areas. The discrepancy can be attributed to limited wireline internet infrastructure penetration owing to lower population density and challenging terrain, making it less economical to set up the required wireline infrastructure. In the Northeast circle, wired broadband customers stood at 0.1 million in Fiscal 2023, logging a CAGR of 9.3% from Fiscal 2016.

While wired broadband penetration in India increased to 8.9% in Fiscal 2023 from 5.3% in Fiscal 2016, it rose to 3.0% from 1.7% for the Northeast. This dependence on wireless internet will support continued growth of wireless mobile services in the region, with low broadband penetration also providing some headroom for growth.

Rise in household penetration of broadband connections going forward is estimated to reach 3.5-4.0% by Fiscal 2026, growing at approximately 6.0% CAGR, higher than the expected pan-India growth of approximately 5.0% CAGR.

Wired broadband penetration



P: Projected; Source: DoT, CRISIL MI&A

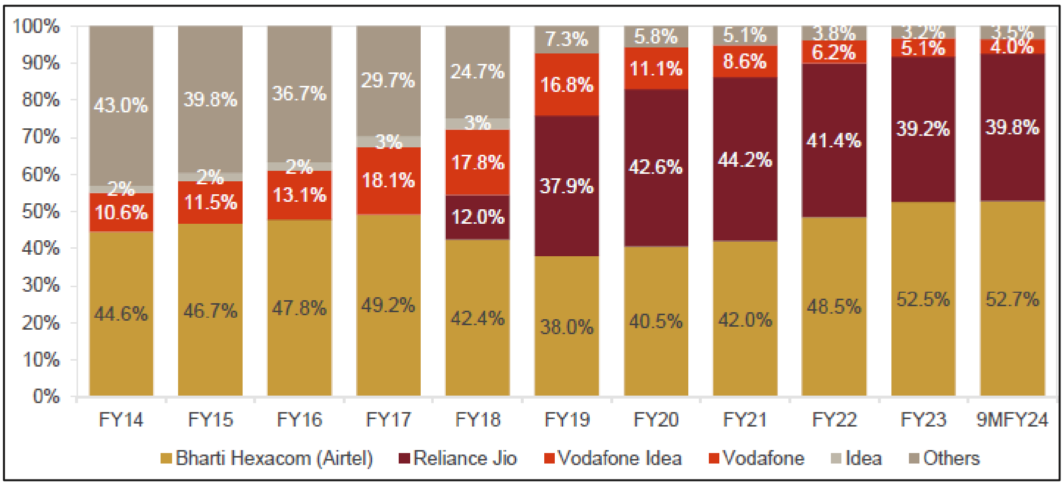
Bharti Hexacom (Airtel) a dominant player in Northeast

In recent times since Fiscal 2019, Northeast saw significant shifts (in line with the national market trend), RMS of the top two players in the Northeast circle has been improving and for the nine months of Fiscal 2024 it has reached a number of 92.5% from 75.9% in Fiscal 2019. This indicates greater consolidation of market share with the top two players.

In the nine months of Fiscal 2024, Bharti Hexacom (Airtel) enjoyed a RMS of 52.7%, increasing from 44.6% in Fiscal 2014. It was followed by Reliance Jio with RMS of 39.8% for the nine months of Fiscal 2024, leaving limited room for other players such as Vodafone Idea and BSNL.

Bharti Hexacom (Airtel) continued to be a dominant player in the Northeast over Fiscals 2014-2023 and maintained a leadership position. The company enjoys better ARPU in the Northeast compared with its competitors since its RMS of 52.7% exceeds its CMS of 48.9%.

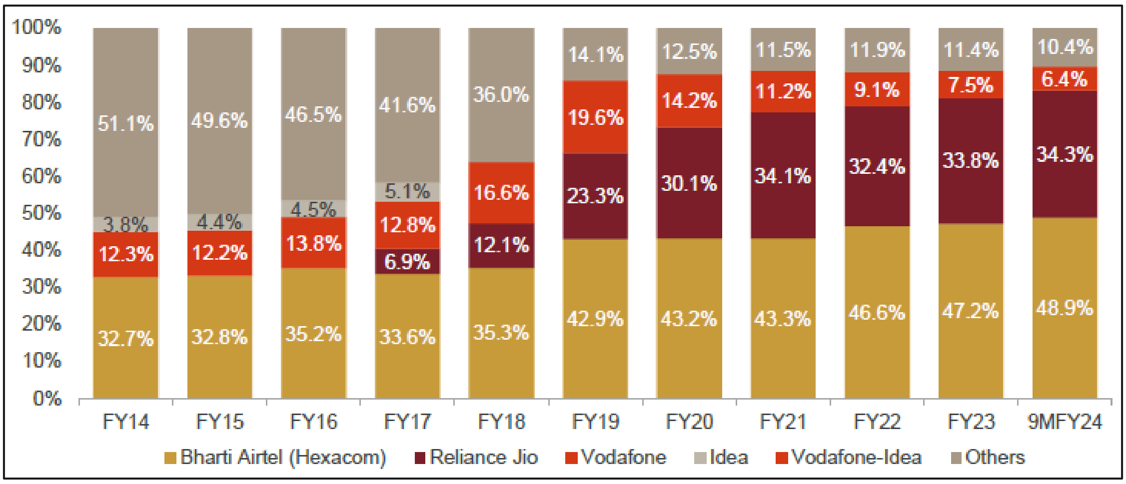
Telecom Northeast RMS (AGR) (wireless + wireline)



Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023; Source: DoT, TRAI, CRISIL MI&A.

Additionally, compared with their all-India collective CMS of approximately 72.3%, Reliance Jio and Bharti Hexacom (Airtel) hold more than 83.2% CMS in the Northeast, thereby making this circle even more consolidated than the overall Indian telecom industry. As of the nine months of Fiscal 2024, Bharti Hexacom (Airtel)'s CMS further increased to 48.9%, followed by Reliance Jio (34.3%) and Vodafone Idea (6.4%).

Telecom Northeast CMS (wireless + wireline)



Note: Other players include Reliance Communications, BSNL and Aircel/Dishnet in Fiscal 2014, and BSNL in Fiscal 2023
Source: DoT, TRAI, CRISIL MI&A

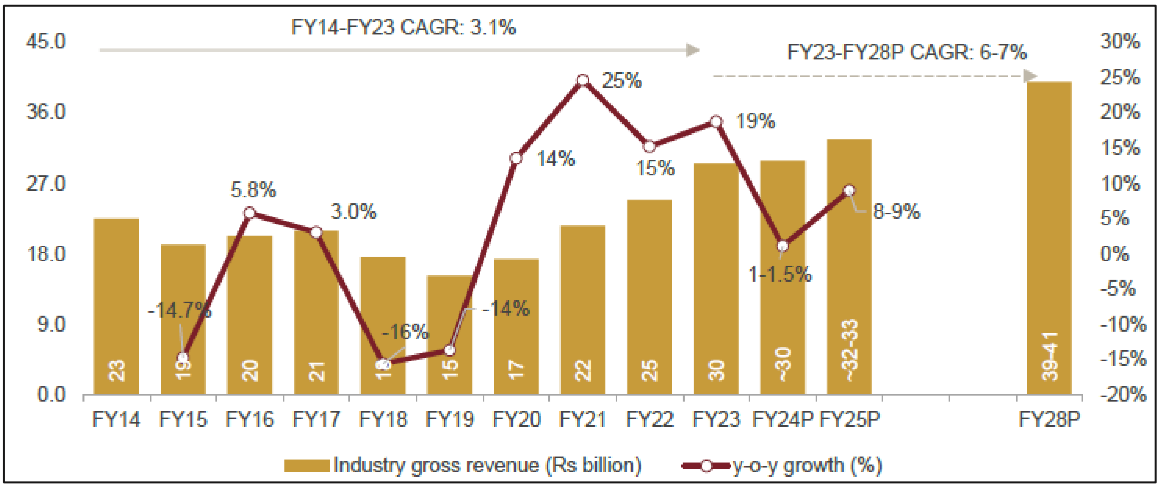
Northeast telecom industry's revenue to log 6-7% CAGR between Fiscals 2023 and 2028

Gross revenue of the Northeast circle increased at 3.1% CAGR, from ₹ 22.5 billion in Fiscal 2014 to ₹ 29.6 billion in Fiscal 2023, lower than pan-India telecom industry CAGR of approximately 5.6%.

Revenue dropped in Fiscal 2018 in line with the overall Indian telecom industry following Reliance Jio's entry, which led to a sharp reduction in ARPU. This, in turn, negatively impacted overall industry revenue. However, revenue improved Fiscal 2020 onwards due to the increase in tariffs and the pandemic-caused transition to the online medium, which increased data consumption.

The Northeast circle telecom industry is expected to clock 6-7% CAGR between Fiscals 2023 and 2028 to reach ₹ 39-41 billion, supported by rise in teledensity, higher internet penetration and a potential increase in ARPU in the region.

Total gross revenue in Northeast



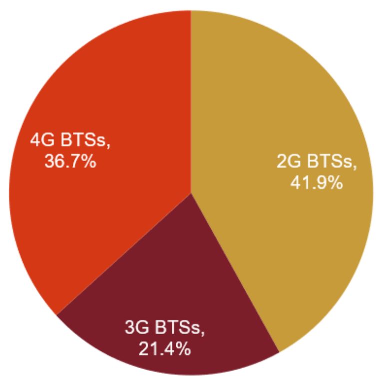
P: Projected
Source: TRAI, CRISIL MI&A

Number of mobile towers and BTSs to increase at 10-12% CAGR between Fiscals 2023 and 2025

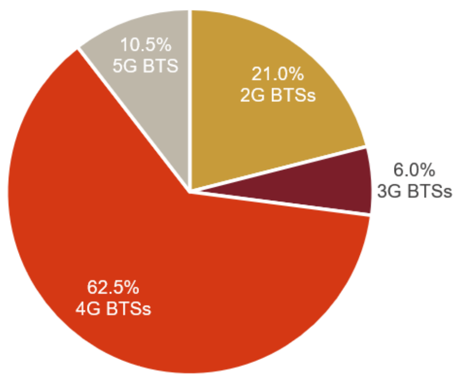
In the Northeast, the number of towers and BTSs is estimated at approximately 11,000 and approximately 38,000, respectively, as of Fiscal 2023. The share of Northeast BTSs as a percentage of the total grew to 1.5% in Fiscal 2023 from 1.2% in Fiscal 2014.

The 4G BTSs dominate with 62.5% share as of January 2024. Notably, 5G BTSs claimed a substantial share of 10.5%. This share is expected to increase further going forward, as the focus is now shifting from extending connectivity to remote villages and towns to enhancing connectivity across urban/metro areas. This could lead to a potential increase in 5G and 4G BTSs in Tier 2 and 3 towns in the future.

BTS – technology-wise in Northeast



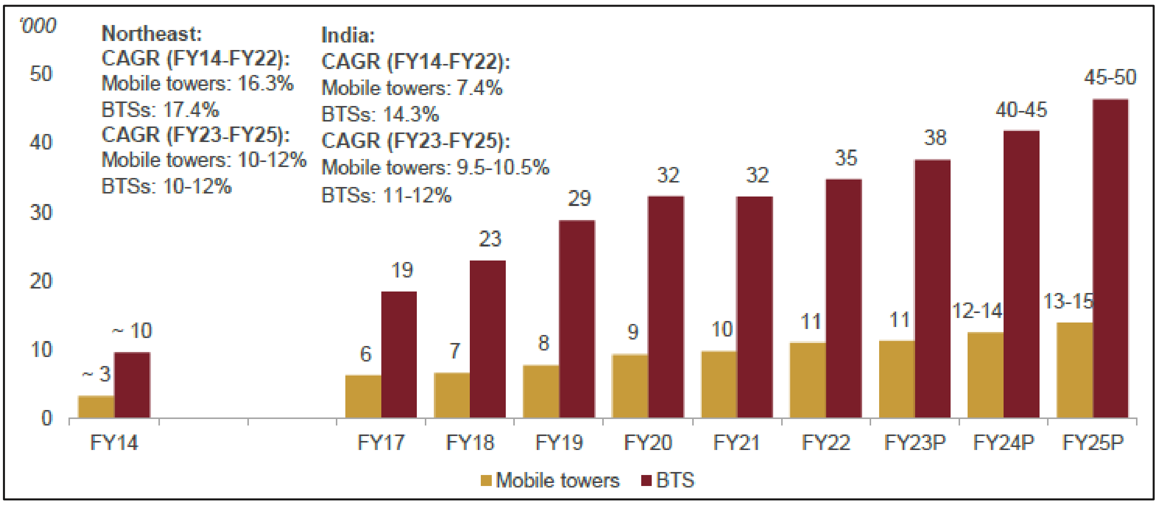
BTS share and type in Northeast (Jan 2024)



Source: DoT, TRAI, CRISIL MI&A

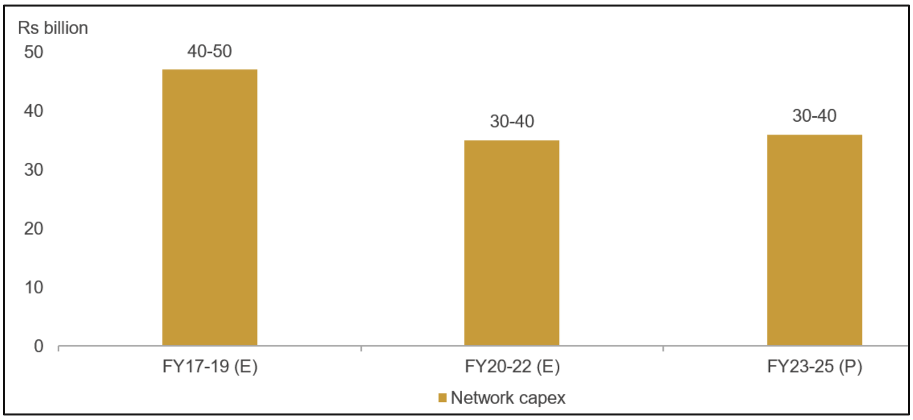
The number of towers and BTSs is projected to increase at 10-12% CAGR between Fiscals 2023 and 2025 to 13,000-15,000 and 45,000-50,000, respectively, driven by increase in pan-India capex. This is expected to result in ₹ 30-40-billion network capex in the Northeast over Fiscals 2023-2025. The Northeast is among the key regions to receive funds for the expansion of mobile networks, with 26.2% share in overall USOF funding. As many as 2,207 towers were installed in the region under the USOF scheme till December 2023.

Number of BTSs and mobile towers in Northeast



P: Projected; Source: DoT, CRISIL MI&A

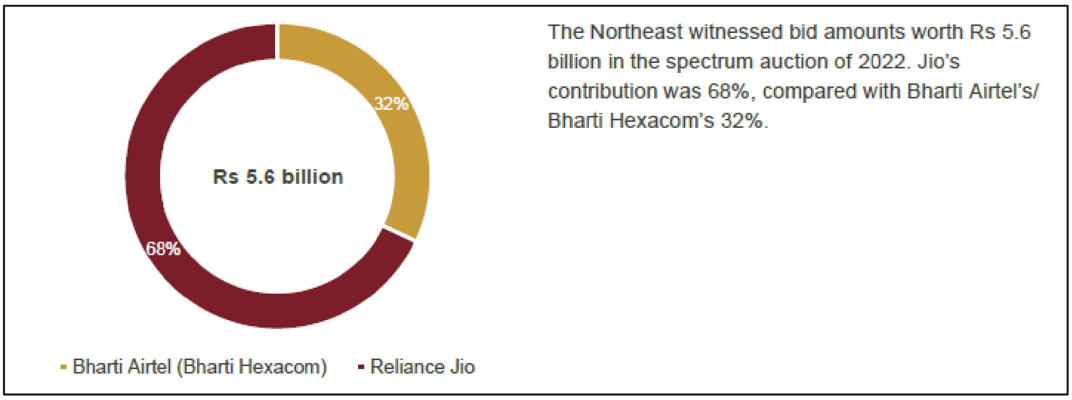
Network capex for Northeast



E: Estimated, P: Projected; Source: CRISIL MI&A

Capex totalled ₹ 40-50 billion during Fiscals 2017-2019, followed by ₹ 30-40 billion in the subsequent three Fiscals 2020-2022. Capex has moderated in line with the pan-India trend, with easing of competition in the industry. During Fiscals 2017-2019, industry players' cumulative capex peaked, including towards spectrum and network investments. Massive capex and ultra-low tariffs forced smaller players to exit, resulting in a three-player market structure in Fiscal 2019. Going forward, investments are expected to moderate with improvement in technology and better utilisation of the existing assets.

Player-wise bids for the Northeast circle — at 2022 spectrum auction



Source: DoT, CRISIL MI&A

KPIs for Northeast telecom market

Wireless ARPU exhibited double-digit CAGR in this region

Wireless ARPU in the Northeast surged from ₹ 74 in Fiscal 2019 to ₹ 170 in Fiscal 2023, clocking an impressive 23.1% CAGR, well above the all-India CAGR of 19% to ₹ 142. The higher growth in the Northeast indicates a substantial increase in revenue generated per user, attributable to factors such as increased data usage, tariff adjustments and high dependence of the region's population on wireless technology due to lack of wireline technology infrastructure.

ARPU (wireless services/full mobility services)

Wireless ARPU (Rs)	Fiscal 2014*	Fiscal 2015*	Fiscal 2016*	Fiscal 2017*	Fiscal 2018*	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR (Fiscal 2014-Fiscal 2023)	CAGR (Fiscal 2019-Fiscal 2023)
Northeast	123	123	134	94	82	74	94	124	154	170	3.7%	23.1%
India	113	120	125	83	76	71	91	104	127	142	2.6%	19.0%

*Note: * Fiscal 2014 – Fiscal 2018 figures are GSM ARPU*
Source: DoT, TRAI, CRISIL MI&A

Prepaid customers dominate wireless services

In the Northeast circle, prepaid customers dominate, with a 97.1% share in wireless services as of Fiscal 2023, higher than the 91.9% share of prepaid customers pan-India. The share of prepaid customers in the Northeast circle has been reducing marginally, moving towards postpaid since Fiscal 2016, due to better postpaid bundled tariff offerings by the telecom players. Despite having a higher share of prepaid customers compared with the pan-India market, the Northeast's overall ARPU is higher than the pan-India average, as highlighted in the table above.

In contrast, in developed markets such as the US and Germany, the share of postpaid customers is higher — 69-70% and 54% as of 2023, respectively. Even in countries such as Thailand and Brazil, the share of postpaid customers (including point of sales and mobile to mobile) is higher than in India – 30% and 57%, respectively, in 2023. This demonstrates significant potential for postpaid uptake. Indeed, the shift in customers towards postpaid has been gathering pace since Fiscal 2020, owing to better postpaid bundled tariffs.

Despite a higher share of prepaid customers than the pan-India market, Northeast's overall ARPU is higher than the pan-India average. Given the potential shift from prepaid to postpaid customers and higher postpaid ARPU, overall ARPU for the Northeast market has the potential to outperform pan-India ARPU growth.

Percentage of prepaid customers — Northeast

Prepaid share	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Northeast	97.0%	97.6%	98.0%	98.0%	98.0%	98.4%	98.6%	98.6%	97.7%	97.1%
India	95.9%	95.6%	95.4%	95.4%	95.5%	94.4%	95.4%	95.0%	93.1%	91.9%

Note: Percentage share is as of the March quarter of the respective Fiscals
Fiscal 2014 to Fiscal 2018 numbers represent GSM prepaid share and Fiscal 2019 to Fiscal 2023 numbers represent wireless prepaid share; the remaining share is of postpaid customers. GSM is a technology for providing wireless services
Source: DoT, TRAI, CRISIL MI&A

MoU in Northeast tracked pan-India trends in the last decade

MoU indicates the average communication time, both incoming as well as outgoing, per consumer. Between Fiscals 2014 and 2023, MoU grew from 402 minutes to 971 minutes for Northeast at 10.3% CAGR, similar to India's MoU CAGR of 10.4%. However, between Fiscals 2019 and 2023, Northeast experienced a higher MoU CAGR (10.3%) than the national average (8.1%), indicating better connectivity and usage in the region. During Fiscals 2014 and 2023, Northeast's MoU growth was in line with pan-India.

MoU

Total MoU# (minutes)	Fiscal 2014*	Fiscal 2015*	Fiscal 2016*	Fiscal 2017*	Fiscal 2018*	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR (Fiscal 2014-Fiscal 2023)	CAGR (Fiscal 2019-Fiscal 2023)
Northeast: wireless MoU	402	358	341	376	582	656	690	787	956	971	10.3%	10.3%
India: wireless MoU	389	383	381	405	584	692	750	818	955	946	10.4%	8.1%

*Note: *Fiscal 2014 to Fiscal 2018 figures are GSM MoU*
 # Total MoU = total usage (from and outside home service area) per customer per month
Source: DoT, TRAI, CRISIL MI&A

Northeast average wireless data usage on a par with all-India average

In 2017, the average monthly wireless data usage per customer in the Northeast was lower at 3.6 GB compared with 4.1 GB for the country. However, in 2018, it clocked 6.9 GB/customer/month, moving closer to India's 7.4 GB and becoming at par with India usage in 2023 — signifying a significant increase in data consumption.

Average wireless data usage (GB) per customer per month

Service area	2017	2018	2023
Northeast	3.6	6.9	18.4*
India	4.1	7.4	18.4

**Estimated for Northeast based on 2017 and 2018 trends and insights from industry interaction for increased data consumption in the region*
Source: DoT, TRAI, CRISIL MI&A

Key growth drivers for Rajasthan and Northeast markets

These two regions are expected to see improvement in teledensity and adoption of smartphones in rural areas through investments in network infrastructure along with the below-mentioned factors.

Factors	Description
Growth of digital payments	Increase in digital transactions indicates strong growth potential for telecom and data services in the region. PhonePe – which is among the key fintech player in digital payment space registered strong growth in demand for Rajasthan and Northeast region. **Rajasthan:** The number of UPI, wallet and card-via-PhonePe transactions totalled 3,231.8 million in the nine months of 2023 (cumulative of nine months) and 2,859 million in 2022. Based on the average of nine months number of 2023, growth is estimated at 105% over 2019-2023. Total transaction value grew to ₹ 5,053.2 billion for the nine months of 2023 from ₹ 422.2 billion in 2019. **Northeast:** The number of UPI, wallet and card-via-PhonePe transactions totalled 89 million for nine months of 2023 and 77.8 million in 2022. Based on the average of nine months number for 2023, CAGR is estimated at 98% over 2019-2023. Total transaction value grew to ₹ 182.7 billion for nine months of 2023 from ₹ 6.0 billion in 2019.
Rise in data consumption	CRISIL expects average data usage in India to grow to 24-25 GB/customer/month by Fiscal 2025, driven by the usage of higher bandwidth applications by retail consumers. The Ericsson Mobility Data Traffic Outlook projects a 16% CAGR in mobile data consumption, rising from 31 GB per month in 2022 to 75 GB per month in 2029 for the India market, at par with the global average data consumption CAGR of 18%.
Increase in TV and smart TV penetration	As per BARC data for 2022, TV penetration for the Northeast and Rajasthan was 60% and 52%, respectively, lower than the pan-India penetration of approximately 69%. But with a rise in per capita income and internet penetration in these regions, TV penetration is expected to increase. Smart TVs also support the telecom industry's growth in the region. Northeast's cloudy and rainy weather conditions do not allow DTH services to perform at their best. This may make internet-based services such as OTT and other offerings more lucrative for the population there. At the all-India level, colour TV sales increased 6% in Fiscal 2023 to 14.4 million units, with smart TVs comprising over 80% of these sales. CRISIL expects colour TV sales to log 5-6% CAGR between Fiscals 2023 and 2027, reaching 17.4 million units, supported by a shorter replacement cycle, multiple ownership of TV units and rise in penetration of units in rural areas. Also, the OTT market in India is expected to clock 11-14% CAGR between Fiscals 2023 and 2025 expanding to ₹ 240-250 billion. It is driven by the rise in smart TV and smartphone penetration, India-specific content by OTT channels, and media consumption behaviour change. The rise in smart TVs and OTT apps, and changing content consumption habits augur well for sustained demand for high-speed internet, which could be further supported by wired broadband and 5G wireless / FWA connections.
Growth in demand for e-education	Smart classroom and ICT infrastructure in the education sector is also expected to aid the telecom industry's growth. *Online education and video content will drive data service demand from the e-education segment.* Under Samagra Shiksha, the 'Strengthening of ICT infrastructure' component envisages covering all government and aided schools from classes VI to XII and teacher education institutions. The Cabinet Committee on Economic Affairs has approved continuation of the Samagra Shiksha Scheme for five years, i.e., from Fiscals 2022 to 2026, with a total financial outlay of ₹ 2,942.83 billion, including the central share of ₹ 1,853.98 billion. Across India, till November 2022 (since inception), ICT labs have been approved in 120,614 schools and smart classrooms in 82,120 schools across the country.
IoT devices – e-meters	Increased penetration of affordable devices, combined with cloud computing, analytics and rising consumer expectations are driving the rapid growth of the IoT market in India. Industry experts see

Factors	Description
	major developments and demand for IoT in sectors such as healthcare, manufacturing, supply chain, education and smart homes. For instance, telecom revenue is expected to be supported by partnership services to power companies for deploying smart meters in Rajasthan and Northeast. As per the National Smart Grid Mission dashboard on December 12, 2023, approximately 2 million smart consumer meters have been sanctioned across various schemes. In Rajasthan, 0.43 million distribution transformer (DT) meters and 27,128 feeder meters had been sanctioned, while the corresponding numbers for the Northeast circle, were 56,470 and 3,632, respectively. Power utilities across the globe have embarked on smart metering or advanced metering infrastructure (AMI), which requires two-way communications between the smart meter and the discom's information system. Various communication technologies, either individually or in combination, have been used by utilities worldwide for AMI. Major utilities in North America, Australia, Japan, Europe, South America and South Korea have opted for the radio frequency, or RF, mesh solution for their last-mile connectivity. RF mesh is reported to have higher reliability and large data handling capacities in comparison with other communication technologies.
Market dominance (entry barrier)	In Rajasthan, the top two players have an overall RMS of 86.5%. Similarly, in the Northeast, the top two have a share of 92.5% for the nine months of Fiscal 2024. Similar trends were seen in CMS, with two top players in Rajasthan having a share of 74.6%, and similarly in Northeast, the top two have a share of 83.2% as of the nine months of Fiscal 2024. Such high consolidation poses challenges for new telecom players in Rajasthan and the Northeast. Over the years, existing telecom companies in these regions have built extensive coverage through network infrastructure, which is hard to replicate for a new telecom company. These telecom companies have developed expertise in addressing challenges related to geography, low population density, power and other unpredictable factors. This expertise positions these companies to offer superior services to consumers compared with new players in the industry, supporting revenue growth and expansion.

Challenges faced by telecom players in Rajasthan and Northeast

Entry barriers for the telecom industry are high due to high capex intensity, significant spectrum acquisition cost, and consolidated nature of the industry. For a new telecom player in the Rajasthan and Northeast circles, the entry barriers are even higher on account of the geographic challenges in laying down and maintaining telecom infrastructure in areas with low population density and hilly terrain. The operational challenges faced by existing players are summed up below.

Challenges	Description
Hilly terrain	The difficult hilly terrain poses significant challenges in laying and maintaining telecom infrastructure such as towers, fibre cables, and power cables, leading to higher costs and logistical difficulties. The rugged terrain, dense forests, and hilly landscape of the Northeast make building a network structure difficult. Only 30-35% of the region's area is plain land. States in the region, such as Arunachal Pradesh, Meghalaya, Mizoram and Nagaland, are characterised by an extremely tough terrain with relatively poor rail, road, electricity and telecom infrastructure. The region's vulnerability to earthquakes and flooding adds to the difficulty in establishing and maintaining robust communication networks. Similarly, arid deserts and challenging terrains in Rajasthan pose logistical difficulties in laying cables and installing network infrastructure.
Power infrastructure	Inconsistent power supply affects the reliability and stability of telecom services, especially in remote areas. Telecom network infrastructure requires secure electrical power supply for optimum performance. The Northeast recorded the highest transmission and distribution (T&D) losses of 23.55% in Fiscal 2022, surpassing the all-India figure of 17.6%, according to the CEA electric power survey. Rajasthan reported marginally higher T&D losses of 20.9%, compared with the all-India figure. Telecom service providers ran 3.9% or 1,328 sites only on diesel generators (DGs) as of December 2022, due to the non-availability of commercial power supply in Northeast. Though most villages in Northeast have power connectivity, commercial power supply in these areas is of substandard quality. Additionally, due to erratic power outages, high capex and inordinate processing delays in extending last-mile power connectivity to telecom sites in such remote and hilly regions, sites are commissioned using DG sets. Obtaining environmental clearance for the installation of DG sets also entails substantial time and costs under the green telecom initiative.

Challenges	Description
Geopolitical stability	Northeast's geopolitical dynamics, including border disputes, security concerns, and friction between social groups, create additional challenges for telecom infrastructure development. This also disrupts operational efficiencies and causes delays.
Lower population density	As per Census 2011, the population densities of Rajasthan and Northeast were 200 per sq. km and 175 per sq. km, respectively. This compared with India's population density of 382 per sq. km. Such low density poses economic viability challenges for companies aiming to develop wireline projects. Sparsely populated regions increase the cost per customer for setting up network infrastructure. Also, the dispersed population in remote areas within these regions adds to challenges in building network infrastructure, requiring tailored strategies to cover a wide range of locations.
Natural calamities	Frequent natural calamities such as flooding and other weather-related disruptions can damage telecom infrastructure, causing service outages and hindering consistent connectivity.
Lack of qualified workforce	The scarcity of skilled and trained workforce specialised in telecom technologies poses a challenge in efficiently managing and maintaining telecom services in these regions. A skilled labour workforce becomes all the more important in the case of new technologies such as 5G.

Source: CRISIL MI&A

Rajasthan and Northeast circles

Rajasthan and Northeast have seen lower telecom penetration compared to rest of the country on account of infrastructural challenges in these regions. With increased focus on developing infrastructural facilities in both, telecom penetration in both circles have also improved, surpassing the pan-India level. The circles are expected to see 1.0-1.5% growth in telecom customers between Fiscals 2013 and 2028, as low telecom density implies there is headroom for growth. Demand-side drivers such as a rise in per capita income and evolving data consumption behaviours are supported by supply-side investments in telecom infrastructure. Consolidated markets in these circles will enable focusing on customer conversion, upgrades and further data monetisation. Any potential tariff increases over the period will add to the revenue growth momentum.

Telecom parameters across Rajasthan, Northeast and pan-India

Parameter	Rajasthan	Northeast	India
Telecom customers (million) (as of nine months of Fiscal 2024)			
Telecom customers	*67.0*	*12.7*	*1,190.3*
Wireline	*0.95*	*0.2*	*31.8*
Wireless	*66.0*	*12.5*	*1,158.5*
Rural	*35.4^*	*6.5^*	*527.8*
Urban	*31.6^*	*6.2^*	*662.6*
Telecom density (%) (as of nine months of Fiscal 2024 / *Fiscal 2023)			
Teledensity	*81.9*	*80.2*	*85.2*
Wireline	*1.0**	*1.4**	*2.3*
Wireless	*78.4**	*78.4**	*83.0*
Rural	*57.2**	*63.1**	*58.6*
Urban	*140.8**	*111.0**	*133.8*
Wireless MoU (as of Fiscal 2023)			
Wireless MoU (minutes)	*926*	*971*	946
Internet customers (million) (as of Fiscal 2023)			
Internet customers	46.9	9.7	881.3
Rural customers	*22.2*	*5.0*	*358.0*
Urban customers	*24.7*	*4.7*	*523.3*
Internet density (as of Fiscal 2023)			
Internet density (%)	57.8	61.2	63.5
Rural teledensity (%)	*37.3*	*48.4*	*39.8*
Urban teledensity (%)	*114.4*	*85.4*	*107.1*
Wireless ARPU (as of Fiscal 2023)			
Wireless ARPU (Rs)	*145*	*170*	*142*
BTS (as of Fiscal 2023)			
Number#	136188	37014	2542213
# of BTS per 100 population	Approximately 0.2	Approximately 0.2	Approximately 0.2
Revenue (Rs billion) (as of Fiscal 2023)			
Gross revenue	*127.6*	29.6	2,679.6

Note:
^Nine months of Fiscal 2024 split of urban and rural telecom customers for Northeast and Rajasthan circles calculated based on Fiscal 2023 and first half of Fiscal 2024 average percentage share of urban and rural telecom customers for the two circles, respectively
**As of Fiscal 2023*
#BTS Fiscal 2023 number calculated based on BTS additions in Fiscal 2023 and base number of Fiscal 2022
@@ Wireless ARPU is calculated based on gross revenue for cellular licence and wireless customers, excluding ILD and NLD gross revenue, for comparison with circle ARPU
Wireless ARPU = (Average gross revenue for March quarter of Fiscal 2023/ Average wireless customers as of December 2022 and March 2023)/3
Source: TRAI, CRISIL MI&A

Competitive landscape assessment

In this section, CRISIL has analysed key players operating in the Indian telecom industry. Data has been obtained from publicly available sources, including annual reports and investor presentations, of listed players, as well as regulatory filings, rating rationales, and/or company websites and social media pages. Financials in this section have been re-classified by CRISIL, based on annual reports and financial filings by relevant players. CRISIL calculated numbers may differ from company reported numbers on account of different methodology.

Note: The list of peers considered in this section is not exhaustive, but indicative. Peers have been selected based on product and service offerings and a comparable revenue range.

Overview of key operational parameters

Geographical presence (as of Fiscal 2023)

Players	Wireless services	5G presence — Fiscal 2023
BSNL	All India (except Delhi and Mumbai)	N.A
Bharti Airtel	All India (22 circles)	3,500+ cities/towns
Bharti Hexacom (Airtel)	Rajasthan and Northeast (2 circle)	486 census towns
Vodafone Idea	All India (22 circles)	N.A.
Reliance Jio	All India (22 circles)	2,300+ cities/ town

Note: Bharti Airtel includes Bharti Hexacom (Airtel) circles as well.
N.A.: Not available
Source: CRISIL MI&A

Spectrum holdings

Players	Fiscal 2021	Fiscal 2022	Fiscal 2023
BSNL	786.8 MHz	704.0 MHz	704.0 MHz
Bharti Airtel	2,107.1 MHz	2,092.1 MHz	22,027.7 MHz
Bharti Hexacom (Airtel)	202.0 MHz	202.0 MHz	2,010.0 MHz
Vodafone Idea	1,768.4 MHz	1,768.4 MHz	8,005.2 MHz
Reliance Jio	1,732 MHz	1,732 MHz	26,768 MHz

Note: Bharti Airtel includes Bharti Hexacom (Airtel) spectrum as well. Source: TRAI, company filings, CRISIL MI&A

Mobile towers

Players	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	N.A.	N.A.	Approximately 68,049	N.A.	N.A.
Bharti Airtel	216,901	237,577	275,069	262,619	307,663
Bharti Hexacom (Airtel)	17,188	18,786	21,672	20,753	24,874
Vodafone Idea	180,484	184,794	184,382	169,805	170,351
Reliance Jio	N.A.	N.A.	N.A.	N.A.	N.A.

Note: Tower numbers as of March of respective Fiscal year/ or as of the nine months of the relevant Fiscal.
N.A. – Not reported by player in company filings
Source: Company annual reports, NITI Aayog, CRISIL MI&A

Wireless telecom customers – overall India

	Total wireless customers (million)						CMS (%)				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Airtel	352.4	360.3	370.9	367.6	381.7	2.6%	29.8%	31.6%	32.4%	32.2%	33.0%

	Total wireless customers (million)						CMS (%)				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Vodafone Idea	283.7	260.8	236.8	241.3	223.0	-8.7%	24.0%	22.8%	20.7%	21.1%	19.3%
BSNL/ MTNL	121.9	117.0	106.0	109.5	93.9	-6.7%	10.3%	10.2%	9.3%	9.6%	8.1%
Reliance Jio	422.9	404.0	430.2	424.5	459.8	0.9%	35.8%	35.4%	37.6%	37.1%	39.7%

Note: Customers are as of March of respective Fiscal / or as of the nine months of the Fiscal. Calculated number may differ from company reported number on account of different methodology; Source: TRAI, CRISIL MI&A

Wireless revenue of telecom players – pan-India (adjusted gross revenue)

	Total adjusted gross revenue (Rs billion)						RMS (%)				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Airtel	557.7	683.2	792.9	588.4	655.4	19.2%	32.8%	35.4%	36.1%	36.0%	37.2%
Vodafone Idea	353.1	353.3	376.5	283.7	282.9	3.3%	20.8%	18.3%	17.2%	17.4%	16.1%
BSNL/ MTNL	136.6	120.5	119.1	88.1	87.0	-6.6%	8.0%	6.3%	5.4%	5.4%	4.9%
Reliance Jio	652.2	770.6	905.2	672.1	735.5	17.8%	38.4%	40.0%	41.3%	41.2%	41.8%

Note: Data collated for adjusted gross revenue reported by wireless telecom players for UL, UASL, WLL, Mobile and NLD licenses as per TRAI document. Revenue considered here is cumulative revenue for the nine months of the respective Fiscal.
Figures for Bharti Airtel are arrived at by adding Bharti Airtel and Bharti Hexacom figures
Source: TRAI, CRISIL MI&A

Revenue per tower per month

(Rs.)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Hexacom (Airtel)	220,362	236,173	248,493	253,532	226,457
Bharti Airtel	207,236	215,381	223,996	238,517	227,461
BSNL	N.A.	N.A.	N.A.	N.A.	N.A.
Vodafone Idea	193,702	173,687	190,624	207,070	209,012
Reliance Jio	N.A.	N.A.	N.A.	N.A.	N.A.

N.A: Not Available as data on the number of towers is not reported by respective companies
Note: Revenue from mobile services is considered for BHL and Bharti Airtel, and revenue from sales of services considered for BSNL. Due to lack of segmental revenue, revenue from operations is considered for Vodafone Idea. Revenue from Bharti Airtel, BSNL, and Vodafone Idea is considered on a consolidated basis.
Revenue per tower per month = (Revenue from operations or mobile services for the Fiscal or nine month period/ number of towers at the end of the period/ number of months)
Calculated number may differ from company reported number on account of different methodology
Source: Company filings, CRISIL MI&A

Total wired broadband customers

Wired broadband customers (million)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Hexacom (Airtel)	0.1	0.1	0.2	0.2	0.3
Bharti Airtel	3.1	4.5	6.1	5.7	7.4
BSNL	6.8	3.9	3.6	4.1	3.8
Vodafone Idea	N.A.	N.A.	N.A.	N.A.	N.A.
Reliance Jio	2.6	5.3	8.3	7.7	10.4

Note: Wired broadband customers as of March of respective Fiscal years or as of the nine months of the relevant Fiscal.
For Bharti Hexacom (Airtel), numbers represent home customers
Source: TRAI, CRISIL MI&A

Total wired broadband customers market share

Wired broadband customers (%)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Hexacom (Airtel)	0.3%	0.5%	0.7%	0.6%	0.9%
Bharti Airtel	13.6%	16.6%	18.3%	17.7%	22.8%
BSNL	30.0%	14.1%	10.7%	12.7%	11.8%

Wired broadband customers (%)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Vodafone Idea	N.A.	N.A.	N.A.	N.A.	N.A.
Reliance Jio	11.4%	19.4%	24.9%	23.6%	32.1%

Note: Wired broadband customers as of March of respective Fiscal years or as of the nine months of the relevant Fiscal.
For Bharti Hexacom (Airtel), numbers represent home customers
Source: TRAI, CRISIL MI&A

Total wired broadband customers as % of total telecom customers

Wired broadband customers (million)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Hexacom (Airtel)	0.4%	0.4%	0.7%	0.7%	1.0%
Bharti Airtel	0.9%	1.2%	1.6%	1.5%	1.9%
BSNL	5.4%	3.2%	3.2%	3.6%	3.9%
Vodafone Idea	N.A.	N.A.	N.A.	N.A.	N.A.
Reliance Jio	0.6%	1.3%	1.9%	1.8%	2.2%

Note: Wired broadband customers as of March of respective Fiscal years or as of the nine months of the relevant Fiscal.
For Bharti Hexacom (Airtel), numbers represent home customers
Source: TRAI, CRISIL MI&A

Observations:

- Bharti Airtel registered the highest wireless customer CAGR of 2.6% between Fiscals 2021 and 2023. As of the nine months of Fiscal 2024, Bharti Airtel had 381.7 million wireless customers with a CMS of 33.0%
- In terms of adjusted gross revenue, Bharti Airtel had a 36.1% share as of Fiscal 2023, with its revenue logging a CAGR of 19.2% between Fiscals 2021 and 2023. In terms of adjusted gross revenue, Bharti Airtel had a 37.2% share for the nine months of Fiscal 2024 and ranks #2 after Reliance Jio.
- Bharti Airtel reported 377.5 million VLR customers and a VLR market share of 36.0% at a pan-India level for December 2023. Reliance Jio reported the highest VLR market share of 40.5%, with 424.5 million VLR customers for December 2023.

Pan-India: Operator-wise VLR customers

Month	VLR customers (in million)				
	Bharti Airtel	Reliance Jio	Vodafone Idea	BSNL	MTNL
Dec-23	377.5	424.5	196.7	48.6	0.5
Nov-23	374.5	423.3	198.5	49.1	0.5
Oct-23	375.0	422.1	198.4	49.5	0.5
Sep-23	376.2	420.3	199.8	50.0	0.6
Aug-23	375.5	417.1	199.4	50.6	0.7
Jul-23	375.9	415.9	202.3	51.7	0.6
Jun-23	372.8	414.5	202.8	52.0	0.8
May-23	372.7	412.2	205.3	52.7	0.6
Apr-23	370.3	407.3	207.1	53.3	0.6
Mar-23	369.6	402.6	207.9	53.7	0.6
Feb-23	367.1	397.6	208.3	53.9	0.6
Jan-23	366.3	394.5	209.1	54.3	0.6
Dec-22	365.0	391.0	209.6	54.7	0.6
Nov-22	359.0	388.0	209.7	55.0	0.7
Oct-22	358.0	391.0	211.7	55.5	0.6
Sep-22	359.0	386.1	212.2	56.1	0.6
Aug-22	357.7	384.6	214.3	56.2	0.6
Jul-22	356.2	382.2	216.9	57.3	0.6
Jun-22	357.2	383.2	218.7	57.8	0.7
May-22	354.9	383.3	220.0	58.9	0.6
Apr-22	352.7	378.9	222.3	59.3	0.6

Note: Rank #1 is highlighted in bold-green colour
VLR customers is calculated based on proportion of VLR customers in total wireless customers for the player reported by TRAI in monthly subscription report.
VLR data is used to determine the number of active users on a mobile network. VLR is acronym of Visitor Location Register. The dates of peak VLR for various TSPs are different in different service areas. VLR is a temporary database of customers who have roamed into the particular area that it serves. Each base station in the network is served by exactly one VLR; hence, a customer cannot be present in more than one VLR at a time. VLR customer data calculated by TRAI is based on active customers in VLR on the date of the peak customer number in the VLR of the particular month for which data is being collected. Data is to be taken from the switches having a purge time of not more than 72 hours.

Source: TRAI, CRISIL MI&A

Pan-India: Voice call volume

	Minutes on network (trillion minutes)					Minutes on network per customer per month				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Airtel	3.6	4.1	4.3	3.2	3.5	882.8	959.6	991.1	979.0	1011.5
Bharti Hexacom (Airtel)	0.3	0.3	0.3	0.2	0.3	804.9	903.6	962.7	947.2	992.0
Vodafone Idea	2.2	1.9	1.7	1.3	1.2	611.0	581.9	578.4	590.0	605.2
Reliance Jio	3.8	4.5	5.1	3.8	4.1	787.5	910.3	1,011.6	992.4	995.4

Note: NA — not available, as not reported by player
Minutes of network is as reported by respective players
Formula used: Minutes on network / (average of TRAI reported wireless customers for start and end of the period) / number of months in the period
Calculated number may differ from company reported number on account of different methodology
9M figures represents cumulative data for minutes on networks. 9M for minutes on network per customer per month represents average data per month for total nine month period.
Source: Company filings, CRISIL MI&A

Pan-India: Data volume

	Data traffic/ total GBs on network (billion GB)					Data customers (million)				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL#	N.A.	N.A.	N.A.	N.A.	N.A.	32.5	30.1	28.3	29.1	N.A.
Bharti Airtel@	32.5	45.2	54.1	39.9	47.0	188.6	208.4	232.7	225.3	253.2
Bharti Hexacom (Airtel)^@	2.5	3.5	4.3	3.1	3.7	13.9	15.4	17.3	16.6	19.1
Vodafone Idea@	18.2	21.5	22.7	16.9	18.1	139.9	135.7	136.2	135.3	137.4
Reliance Jio#	62.5	91.4	113.3	83.1	107.6	425.5	409.3	438.6	432.2	470.9

Note: Data Customers as of March of each respective fiscal year/ or nine months, as reported by TRAI. Data traffic or total GBs on network are cumulative figures for the fiscal year or for the nine month period.
 # Data customers of Reliance Jio and BSNL represent the internet customers base as reported by TRAI. Data traffic includes wireless and wireline data traffic for Reliance Jio and BSNL
@ For Bharti Airtel, Bharti Hexacom (Airtel) and Vodafone Idea, includes only wireless data traffic
**Data customers of Bharti Airtel, Bharti Hexacom (Airtel), and Vodafone Idea is as reported by the respective companies*
^Bharti Hexacom (Airtel) numbers as reported by company for Rajasthan and Northeast circles.
NA: Not Available, as of March 1, 2024 latest data available from TRAI is of the September quarter and similar data is not reported by the respective company
Source: Company filings, CRISIL MI&A

Data customers as % of total telecom customers — pan-India

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL*	25.9%	24.8%	25.5%	25.6%	N.A.
Bharti Airtel^	52.8%	56.9%	61.5%	60.2%	64.9%
Bharti Hexacom (Airtel)^	50.6%	55.8%	60.7%	59.4%	64.8%
Vodafone Idea^	49.2%	51.9%	57.4%	55.9%	61.4%
Reliance Jio*	99.8%	99.8%	99.8%	99.8%	100.0%

Note: Internet customers as of March of each of the respective fiscal / or as of nine months, as reported by TRAI
NA: Numbers not available from TRAI or company filings
^ Numbers as reported by the company
**Internet customer base of respective companies as reported by TRAI*
Calculated number may differ from company reported number on account of different methodology
Source: Company filings, TRAI, CRISIL MI&A

Pan-India: Data usage

	Data usage per customer per month (GB)				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	N.A.	N.A.	N.A.	N.A.	N.A.
Bharti Airtel@	16.1	19.0	20.5	20.0	20.6
Bharti Hexacom (Airtel) @	16.8	19.9	21.7	21.1	21.6

	Data usage per customer per month (GB)				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Vodafone Idea@	10.9	13.0	13.9	13.9	14.7
Reliance Jio*	12.8	18.2	22.3	21.5	25.4

Note: Data usage per customer per month: (Total GBs on network / Average of data customers for start and end of the period / number of months in the period. Data usage considered is for entire fiscal year or nine months of the Fiscal as mentioned.)
NA: Numbers not available from TRAI or company filings
@ For Bharti Airtel, Bharti Hexacom (Airtel), and Vodafone Idea, includes only wireless data traffic
**For Reliance Jio, internet customers as reported by TRAI are considered for calculation. Data usage also includes wireline usage. This wireline usage was ~280 GB for fiscal 2023 as reported by the company.*
Calculated number may differ from company reported number on account of different methodology
Source: Company filings, CRISIL MI&A

Postpaid customer base

	Postpaid customer base %				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Hexacom (Airtel)	2.7%	2.7%	2.7%	2.7%	3.1%
Bharti Airtel	5.2%	5.5%	5.9%	5.7%	6.5%
BSNL	N.A.	N.A.	N.A.	N.A.	N.A.
Vodafone Idea	7.8%	8.2%	9.9%	9.6%	11.0%
Reliance Jio	N.A.	N.A.	N.A.	N.A.	N.A.

Note: Post-paid customer base % as of March of each of the respective Fiscal or as of the nine months of the Fiscal.
N.A: Not Available, as similar data is not reported by the respective companies.
Source: Company filings, CRISIL MI&A

Monthly churn

	Monthly churn %				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Bharti Hexacom (Airtel)	1.8%	2.7%	2.7%	2.8%	2.5%
Bharti Airtel	2.2%	2.8%	2.8%	3.0%	2.9%
BSNL	N.A.	N.A.	N.A.	N.A.	N.A.
Vodafone Idea*	3.0%	3.4%	3.8%	4.4%	4.3%
Reliance Jio	1.3%	N.A.	Approximately 2%	N.A.	N.A.

*Note: *For Vodafone Idea, monthly churn % represents blended churn %*
Monthly churn % as of March of each of the respective Fiscal / as of the nine months of the Fiscal
N.A: Not Available, as similar data is not reported by the respective companies
Source: Company filings, CRISIL MI&A

Churn rate in Indian telecom market is high and weighted average monthly churn rate is approximately 2.7% as of Fiscal 2023. Factors such as SIM consolidation, closure of inactive SIMs, and ease of number portability among others, contribute to a high churn rate for the industry. This makes it necessary for the telecom players to offer competitive tariffs, introduce promotional offerings and maintain service quality to retain customers.

Total telecom customers — Rajasthan

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Total telecom customers (million)					
BSNL	6.6	6.8	6.4	6.6	5.9
Bharti Hexacom (Airtel)	22.0	22.0	22.6	22.2	23.3
Vodafone Idea	12.3	11.1	10.3	10.4	11.0
Reliance Jio	25.8	24.0	25.1	24.8	26.7
Total	66.8	63.9	64.4	**63.9**	**67.0**
Wireless telecom customers (million)					
BSNL	6.4	6.5	6.1	6.3	5.7
Bharti Hexacom (Airtel)	22.0	21.8	22.4	22.0	23.1
Vodafone Idea	12.2	11.1	10.3	10.4	11.0
Reliance Jio	25.7	23.7	24.8	24.4	26.3
Total	66.3	63.2	63.6	**63.1**	**66.0**
Wireline telecom customers (million)					

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	0.25	0.29	0.28	0.28	0.26
Bharti Hexacom (Airtel)	0.08	0.14	0.20	0.18	0.26
Vodafone Idea	0.01	0.02	0.02	0.02	0.01
Reliance Jio	0.12	0.23	0.33	0.31	0.40
Total	**0.47**	**0.69**	**0.84**	**0.81**	**0.96**

Note: Customers as of March of the respective fiscals. Customer market share calculated based on the customers as of March of the respective fiscal and as of the nine of the Fiscal.
Source: TRAI, CRISIL MI&A

Total telecom customers market share— Rajasthan

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Total telecom customers (%)					
BSNL	10.0%	10.7%	9.9%	10.3%	8.9%
Bharti Hexacom (Airtel)	33.0%	34.4%	35.1%	34.7%	34.8%
Vodafone Idea	18.4%	17.4%	16.0%	16.3%	16.5%
Reliance Jio	38.7%	37.5%	39.0%	38.7%	39.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Wireless telecom customers (%)					
BSNL	9.7%	10.4%	9.6%	10.0%	8.6%
Bharti Hexacom (Airtel)	33.1%	34.5%	35.3%	34.8%	35.0%
Vodafone Idea	18.5%	17.5%	16.1%	16.5%	16.7%
Reliance Jio	38.8%	37.6%	39.0%	38.7%	39.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Wireline telecom customers (%)					
BSNL	52.3%	42.4%	33.3%	34.8%	27.5%
Bharti Hexacom (Airtel)	17.5%	20.2%	23.4%	22.7%	26.8%
Vodafone Idea	1.6%	2.3%	1.8%	1.9%	1.3%
Reliance Jio	25.1%	32.7%	39.5%	38.6%	41.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Customers as of March of the respective Fiscals. CMS calculated based on the customers as of March of the respective Fiscal and as of the nine months of the relevant Fiscal.
Source: TRAI, CRISIL MI&A

Wireless telecom customers — Rajasthan

	Wireless customers (million)						Customers' market share				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	6.4	6.5	6.1	6.3	5.7	-2.3%	9.7%	10.4%	9.6%	10.0%	8.6%
Bharti Hexacom (Airtel)	22.0	21.8	22.4	22.0	23.1	1.1%	33.1%	34.5%	35.3%	34.8%	35.0%
Vodafone Idea	12.2	11.1	10.3	10.4	11.0	-8.5%	18.5%	17.5%	16.1%	16.5%	16.7%
Reliance Jio	25.7	23.7	24.8	24.4	26.3	-1.8%	38.8%	37.6%	39.0%	38.7%	39.8%

Note: Wireless customers as of March of the respective Fiscals. CMS calculated based on the customers as of March or nine months of the relevant Fiscal.
Source: TRAI, CRISIL MI&A

Adjusted gross revenue of telecom players — Rajasthan

	Revenue (Rs billion)						RMS				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	3.1	3.1	2.9	2.2	3.2	-2.8%	4.0%	3.3%	2.7%	2.8%	3.4%
Bharti Hexacom (Airtel)	25.4	33.6	43.5	32.0	37.1	30.7%	32.7%	36.7%	39.5%	39.2%	40.4%
Vodafone Idea	9.7	10.2	11.6	8.7	9.2	9.4%	12.5%	11.1%	10.6%	10.6%	10.1%

	Revenue (Rs billion)						RMS				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Reliance Jio	39.4	44.8	52.1	38.7	42.3	15.0%	50.7%	48.8%	47.3%	47.4%	46.1%

Revenue and RMS is calculated basis cumulative revenue for the entire Fiscal or nine months of the respective Fiscal.
Source: TRAI, CRISIL MI&A

Rajasthan operator-wise VLR or active customers

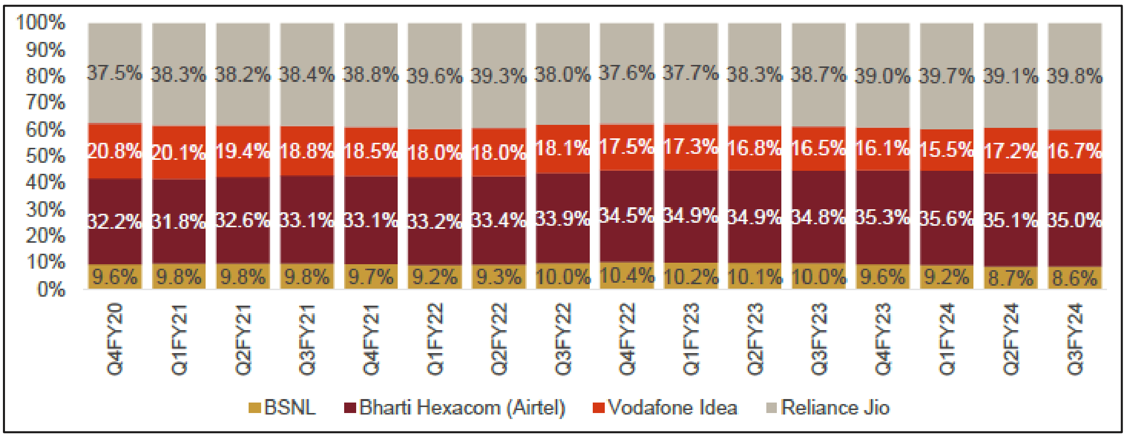
Month	VLR customers (in million)					
	Bharti Hexacom (Airtel)	BSNL	Vodafone Idea	Reliance Com.	Reliance Jio	Total Rajasthan
December 2023	23.2	2.5	10.2	0.0	24.2	60.1

VLR customer is calculated based on proportion of VLR customers in total wireless customers for the player reported by TRAI in monthly subscription report.
Source: TRAI, CRISIL MI&A

Observations:

- In the Rajasthan circle, Bharti Hexacom (Airtel) clocked the highest revenue CAGR of 30.7% between Fiscals 2021 and 2023. Bharti Hexacom (Airtel) had the second-highest adjusted gross revenue in Fiscal 2023 at ₹ 43.5 billion, after Reliance Jio.
- Bharti Hexacom (Airtel) is among the top two players in the Rajasthan circle with a CMS of 35.0% and RMS of 40.4% as of and for the nine months of Fiscal 2024, respectively. Bharti Hexacom ranked second, trailing Reliance Jio, by a difference of 486 basis points in CMS and 569 basis points in RMS. Between Fiscal 2021 and the nine months of Fiscal 2024, the market share gap between Bharti Hexacom and Reliance Jio has narrowed overtime.
- As of the nine months of Fiscals 2024 and 2023 and as of Fiscals 2023, 2022 and 2021, Bharti Hexacom (Airtel) reported a CMS of 35.0%, 34.8%, 35.3%, 34.5% and 33.1% for the Rajasthan circle, respectively, ranking close second across all periods. In Rajasthan circle, Bharti Hexacom (Airtel) has reported consistent growth in CMS from 33.1% in Fiscal 2021 to 35.0% as of the nine months of Fiscal 2024.
- For the nine months of Fiscals 2024 and 2023 and for Fiscals 2023, 2022 and 2021, Bharti Hexacom (Airtel) reported an RMS of 40.4%, 39.2%, 39.5%, 36.7% and 32.7% for the Rajasthan circle, respectively, ranking close second across all periods and narrowing rapidly close to Reliance Jio.
- In Rajasthan circle, Bharti Hexacom (Airtel) has reported consistent growth in RMS from 32.7% in Fiscal 2021 to 40.4% for the nine months of Fiscal 2024.
- In Fiscal 2023, Bharti Hexacom (Airtel) had a presence in 486 census towns with an aggregate of 28.4 million wireless customers and a CMS of 35.3% and 48.0% in the Rajasthan and Northeast circles, respectively.
- As of the nine months of Fiscal 2024, Bharti Hexacom (Airtel) was present in 486 census towns with an aggregate of wireless 29.3 million customers and a CMS of 35.0% and 49.8% in the Rajasthan and Northeast circles, respectively.
- Bharti Hexacom (Airtel) reported the second highest number of VLR or active wireless customers of 23.2 million with a VLR market share of 38.7% in the Rajasthan circle, following Reliance Jio with 24.2 million such customers with a VLR market share of 40.2% as of December 2023.
- Bharti Hexacom (Airtel) recorded growth in its customer base in the Rajasthan circle from 20.5 million customers, with a CMS of 31.8%, in the first quarter of Fiscal 2021 to 23.1 million customers, with a CMS of 35.0%, in the third quarter of Fiscal 2024. Bharti Hexacom (Airtel) gained CMS in 11 of the past 15 quarters, gaining a cumulative market share of 317 basis points. In comparison, Reliance Jio, its nearest competitor, gained market share in 10 of the past 15 quarters, but with a cumulative gain of 148 basis points. Vodafone Idea experienced a cumulative market share loss of 341 basis points since the first quarter of Fiscal 2021.

Quarter-wise wireless CMS of telecom players in Rajasthan circle



Source: TRAI, CRISIL MI&A

Total telecom customers – Northeast

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Total telecom customers (million)					
BSNL	1.4	1.4	1.4	1.4	1.3
Bharti Hexacom (Airtel)	5.4	5.6	5.9	5.8	6.2
Vodafone Idea	1.4	1.1	0.9	0.9	0.8
Reliance Jio	4.3	3.9	4.3	4.1	4.4
Total	**12.6**	**12.1**	**12.6**	**12.3**	**12.7**
Wireless telecom customers (million)					
BSNL	1.4	1.4	1.4	1.4	1.3
Bharti Hexacom (Airtel)	5.4	5.6	5.9	5.8	6.2
Vodafone Idea	1.4	1.1	0.9	0.9	0.8
Reliance Jio	4.2	3.8	4.1	4.0	4.2
Total	**12.5**	**11.9**	**12.4**	**12.1**	**12.5**
Wireline telecom customers (million)					
BSNL	0.07	0.08	0.07	0.08	0.07
Bharti Hexacom (Airtel)	0.00	0.00	0.00	0.00	0.00
Vodafone Idea	0.00	0.00	0.00	0.00	0.00
Reliance Jio	0.03	0.08	0.14	0.13	0.18
Total	**0.10**	**0.16**	**0.21**	**0.20**	**0.25**

Note: Customers as of March of the respective Fiscals. CMS is calculated based on the customers as of March of the respective Fiscal and the nine months of the relevant Fiscal.
Source: TRAI, CRISIL MI&A

Total telecom customers market share – Northeast

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Total telecom customers (%)					
BSNL	11.5%	11.9%	11.4%	11.7%	10.4%
Bharti Hexacom (Airtel)	43.3%	46.6%	47.2%	47.3%	48.9%
Vodafone Idea	11.2%	9.1%	7.5%	7.6%	6.4%
Reliance Jio	34.1%	32.4%	33.8%	33.3%	34.3%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Wireless telecom customers (%)					
BSNL	11.0%	11.4%	11.1%	11.3%	10.0%
Bharti Hexacom (Airtel)	43.6%	47.2%	48.0%	48.1%	49.8%
Vodafone Idea	11.3%	9.2%	7.6%	7.7%	6.5%
Reliance Jio	34.1%	32.1%	33.3%	32.8%	33.6%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Wireline telecom customers (%)					
BSNL	65.8%	48.7%	34.1%	37.0%	28.7%
Bharti Hexacom (Airtel)	0.0%	0.0%	0.0%	0.0%	0.0%
Vodafone Idea	0.3%	0.2%	0.2%	0.2%	0.2%
Reliance Jio	33.9%	51.1%	65.6%	62.8%	71.1%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Note: Customers as of March of the respective Fiscals. CMS is calculated based on the customers as of March of the respective Fiscal and nine months of the relevant Fiscal.
Source: TRAI, CRISIL MI&A

Wireless telecom customers – Northeast

	Total customers (million)						Customers' market share				
Players	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	1.4	1.4	1.4	1.4	1.3	-0.2%	11.0%	11.4%	11.1%	11.3%	10.0%
Bharti Hexacom (Airtel)	5.4	5.6	5.9	5.8	6.2	4.5%	43.6%	47.2%	48.0%	48.1%	49.8%
Vodafone Idea	1.4	1.1	0.9	0.9	0.8	-18.2%	11.3%	9.2%	7.6%	7.7%	6.5%
Reliance Jio	4.2	3.8	4.1	4.0	4.2	-1.6%	34.1%	32.1%	33.3%	32.8%	33.6%

Note: Wireless customers as of March of the respective Fiscals. CMS is calculated based on the customers as of March or as of the nine months of the respective Fiscal.
Source: TRAI, CRISIL MI&A

Adjusted gross revenue of telecom players – Northeast

	Revenue (billion)						RMS				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	CAGR (Fiscal 2021-2023)	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	0.8	0.8	0.8	0.6	0.7	-2.8%	5.1%	3.8%	3.2%	3.1%	3.5%
Bharti Hexacom (Airtel)	6.9	10.1	13.2	9.7	10.4	38.0%	42.0%	48.5%	52.5%	52.4%	52.7%
Vodafone Idea	1.4	1.3	1.3	1.0	0.8	-4.8%	8.6%	6.2%	5.1%	5.3%	4.0%
Reliance Jio	7.3	8.6	9.9	7.3	7.8	16.2%	44.2%	41.4%	39.2%	39.2%	39.8%

Revenue and RMS is calculated basis cumulative revenue for the entire Fiscal or for nine months of the respective Fiscal. Source: TRAI, CRISIL MI&A

Northeast operator-wise VLR or active customers

Month	VLR customers (in million)					
	Bharti Hexacom (Airtel)	BSNL	Vodafone Idea	Reliance Com.	Reliance Jio	Total Northeast
December 2023	6.4	0.7	0.8	0.0	4.4	12.2

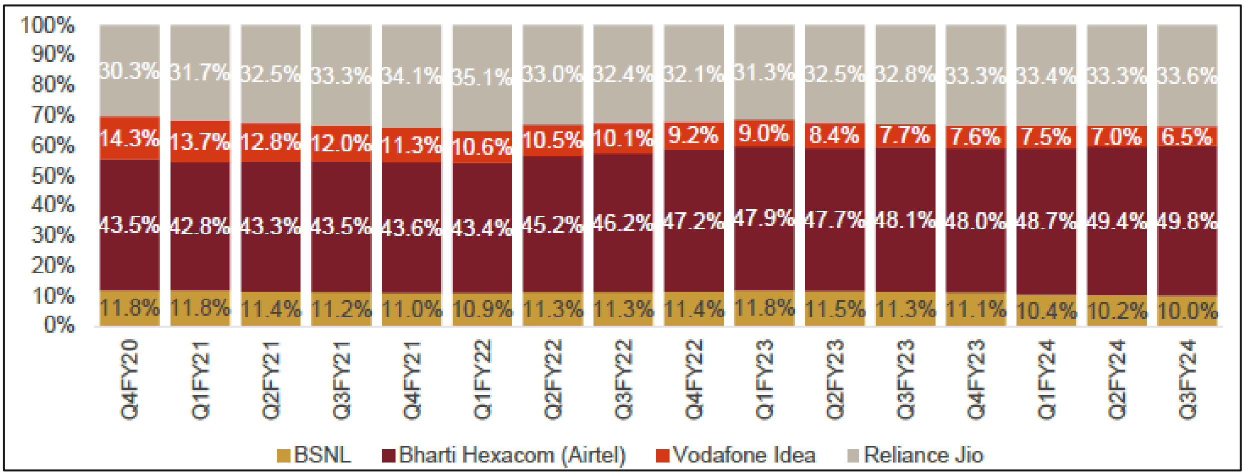
VLR customer is calculated based on proportion of VLR customers in total wireless customers for the player reported by TRAI in monthly subscription report.
Source: TRAI, CRISIL MI&A

Observations:

- Bharti Hexacom (Airtel) is a market leader in terms of CMS and RMS in the Northeast circle with a CMS of 49.8% and RMS of 52.7% as of and for the nine months of Fiscal 2024
- In the Northeast circle, Bharti Hexacom (Airtel) logged 38.0% CAGR between Fiscals 2021 and 2023 in terms of gross revenue. The telecom company ranked first in terms of adjusted gross revenue in Fiscal 2023, followed by Reliance Jio
- For the nine months of Fiscals 2024 and 2023 and Fiscals 2023, 2022 and 2021, Bharti Hexacom (Airtel) reported an RMS of 52.7%, 52.4%, 52.5%, 48.5% and 42.0% for the Northeast circle, respectively, ranking first in all periods except Fiscal 2021, when it ranked second.
- In the Northeast circle Bharti Hexacom (Airtel) reported consistent growth in RMS, from 42.0% in Fiscal 2021 to 52.7% for the nine months of Fiscal 2024.

- As of the nine months of Fiscals 2024 and 2023 and Fiscals 2023, 2022 and 2021, Bharti Hexacom (Airtel) reported a CMS of 49.8%, 48.1%, 48.0%, 47.2% and 43.6% for the Northeast circle, respectively, ranking first across all periods.
- In the Northeast circle Bharti Hexacom (Airtel) has reported growth in CMS from 43.6% in Fiscal 2021 to 49.8% as of the nine months of Fiscal 2024.
- In the Northeast circle, Bharti Hexacom (Airtel) reported the highest number of VLR or active wireless customers of 6.4 million with a VLR market share of 52.3%, followed by Reliance Jio with 4.4 million customers with a VLR market share of 35.9% for December 2023.
- Bharti Hexacom (Airtel) recorded consistent growth in its customer base in the Northeast circle from 5.1 million customers, with a CMS of 42.8%, in the first quarter of Fiscal 2021 to 6.2 million customers, with a CMS of 49.8%, in the third quarter of Fiscal 2024. Bharti Hexacom (Airtel) consistently gained CMS, achieving market share gains in 11 out of past 15 quarters with a cumulative market share gain of 702 basis points. In comparison, Reliance Jio gained market share in nine out of past 15 quarters with a cumulative market share gain of 192 basis points. Vodafone Idea experienced a cumulative market share loss of 718 basis points since the first quarter of Fiscal 2021.

Quarter-wise wireless CMS of telecom players in the Northeast circle



Source: TRAI, CRISIL MI&A

Total telecom customers – Rajasthan and Northeast

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Total telecom customers (million)					
BSNL	8.1	8.3	7.8	8.0	7.2
Bharti Hexacom (Airtel)	27.5	27.6	28.6	28.0	29.6
Vodafone Idea	13.7	12.2	11.2	11.4	11.8
Reliance Jio	30.1	27.9	29.4	28.9	31.1
Total	**79.3**	**76.0**	**77.0**	**76.3**	**79.7**
Wireless telecom customers (million)					
BSNL	7.8	7.9	7.5	7.7	6.9
Bharti Hexacom (Airtel)	27.4	27.4	28.4	27.8	29.3
Vodafone Idea	13.7	12.2	11.2	11.3	11.8
Reliance Jio	29.9	27.6	28.9	28.4	30.5
Total	**78.7**	**75.1**	**75.9**	**75.3**	**78.5**
Wireline telecom customers (million)					
BSNL	0.31	0.37	0.35	0.36	0.33
Bharti Hexacom (Airtel)	0.08	0.14	0.20	0.18	0.26
Vodafone Idea	0.01	0.02	0.02	0.02	0.01
Reliance Jio	0.15	0.31	0.47	0.44	0.57
Total	**0.57**	**0.85**	**1.05**	**1.01**	**1.21**

Note: Customers as of March of the respective Fiscals. CMS is calculated based on the customers as of March of the respective Fiscal and nine months of the respective Fiscal.
Source: TRAI, CRISIL MI&A

Total telecom customers market share – Rajasthan and Northeast

	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Total telecom customers (%)					
BSNL	10.2%	10.9%	10.2%	10.5%	9.1%
Bharti Hexacom (Airtel)	34.6%	36.3%	37.1%	36.7%	37.1%
Vodafone Idea	17.2%	16.0%	14.6%	14.9%	14.8%
Reliance Jio	37.9%	36.7%	38.1%	37.9%	39.0%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Wireless telecom customers (%)					
BSNL	9.9%	10.5%	9.8%	10.2%	8.8%
Bharti Hexacom (Airtel)	34.8%	36.5%	37.4%	37.0%	37.3%
Vodafone Idea	17.3%	16.2%	14.8%	15.1%	15.1%
Reliance Jio	38.0%	36.7%	38.0%	37.8%	38.8%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Wireline telecom customers (%)					
BSNL	54.7%	43.6%	33.4%	35.2%	27.7%
Bharti Hexacom (Airtel)	14.3%	16.3%	18.6%	18.1%	21.3%
Vodafone Idea	1.4%	1.9%	1.5%	1.6%	1.1%
Reliance Jio	26.7%	36.3%	44.8%	43.5%	47.6%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Note: Customers as of March of the respective Fiscals. CMS is calculated based on the customers as of March of the respective Fiscal and nine months of the respective Fiscal.
Source: TRAI, CRISIL MI&A

ARPU (₹) (As reported by companies in their filings and presentations)

Operators	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	N.A.	N.A.	N.A.	N.A.	N.A.
Bharti Airtel	145	178	193	193	208
Bharti Hexacom (Airtel)$	135	155	185	184	197
Vodafone Idea[1]	107	124	135	135	145
Reliance Jio[2]	138	168	179	178	182

Note: ARPU numbers are for exit quarter of respective Fiscal years / as of the nine months. For example, Fiscal 2023 number is for the fourth quarter of Fiscal 2023 and 9M Fiscal 2024 number is for the third quarter of Fiscal 2024.
$ As shared by company
1Blended ARPU as reported by the player; may include wireless and wireline
2 As reported by the company, may include revenue from wireline, broadband, FTTH and other telecom services.
Source: Company filings

Observations:

- Bharti Airtel and Bharti Hexacom (Airtel) has consistently reported higher ARPU than its peers from Fiscal 2022 to the nine months of Fiscal 2024.

CRISIL's approach to computing ARPUs:

In view of the limitations reported by companies in availability of data, CRISIL MI&A has computed ARPUs and linked ratios at circle level using TRAI data.

The methodology used for the computation of ARPU and linked ratios is as follows:

- Circle ARPU is calculated on gross revenue and does not include ILD and NLD revenue
- Blended ARPU (across all circles) includes NLD revenue
- Gross revenue may include revenue from wireline, broadband, FTTH and other telecom services
- The following formulae have been used for calculation of blended ARPU (across all circles):

ARPU for Fiscal year = (Sum for quarterly gross revenue for four quarters reported by TRAI / Average TRAI-reported wireless customers at the start of the first quarter and end of the fourth quarter) / 12

ARPU for nine months of Fiscal year = (Sum for quarterly gross revenue for three quarters reported by TRAI / Average TRAI-reported wireless customers at the start of the first quarter and end of the third quarter)) / 9

The ARPUs and linked ratios computed by CRISIL MI&A may not match the numbers reported by the companies in their filings and investor presentations due to differences in approach. Hence both, company reported numbers and CRISIL MI&A computed numbers have been provided.

Wireless ARPU (₹) – Rajasthan and Northeast (basis circle gross revenue)

Operators	Rajasthan					Northeast					Rajasthan + Northeast				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	52	47	49	48	73	56	101	100	108	129	53	56	58	59	83
Bharti Hexacom (Airtel)	142	162	195	194	206	160	191	232	230	229	146	168	203	201	211
Vodafone Idea	124	125	149	148	155	129	126	152	156	153	124	125	149	148	155
Reliance Jio	144	152	181	180	186	169	179	209	209	218	148	156	185	184	190

Note: The above ARPU is calculated on gross revenue and has considered only circle revenue. It does not incorporate ILD and NLD revenue. Gross revenue may include revenue from wireline, broadband, FTTH and other telecom services. The calculated wireless ARPU may not match player-reported ARPU since the method of calculation may differ. CRISIL has used the following formula for calculation of ARPU
ARPU for Fiscal year = (Sum for quarterly gross revenue for four quarters reported by TRAI / Average TRAI-reported wireless customers start of the first quarter and end of the fourth quarter) / 12
ARPU for nine months period = (Sum for quarterly gross revenue for three quarters reported by TRAI / Average TRAI-reported wireless customers at the start of the first quarter and end of the third quarter) / 9
** As reported by BSNL to TRAI, reported gross revenue is higher as compared with preceding and succeeding quarters*
Source: TRAI, CRISIL MI&A

Exit Quarter Wireless ARPU (Rs) – Rajasthan and Northeast (based on circle gross revenue)

Operators	Rajasthan					Northeast					Rajasthan + Northeast				
	Q4 Fiscal 2021	Q4 Fiscal 2022	Q4 Fiscal 2023	Q3 Fiscal 2023	Q3 Fiscal 2024	Q4 Fiscal 2021	Q4 Fiscal 2022	Q4 Fiscal 2023	Q3 Fiscal 2023	Q3 Fiscal 2024	Q4 Fiscal 2021	Q4 Fiscal 2022	Q4 Fiscal 2023	Q3 Fiscal 2023	Q3 Fiscal 2024
BSNL	52	59	51	54	73	55	244	77	58	245	53	91	56	55	104
Bharti Hexacom (Airtel)	143	183	206	201	210	163	216	240	236	236	147	190	213	208	215
Vodafone Idea	119	138	155	152	152	118	139	156	157	146	119	138	155	152	151
Reliance Jio	138	170	183	181	187	161	200	213	213	224	141	174	187	186	192

Note: The above ARPU is calculated on gross revenue and has considered only circle revenue. It does not incorporate ILD and NLD revenue. Gross revenue may include revenue from wireline, broadband, FTTH and other telecom services. The calculated wireless ARPU may not match player-reported ARPU since the method of calculation may differ. CRISIL has used the following formula for calculation of ARPU
ARPU for quarter= (Quarterly gross revenue reported by TRAI / Average of TRAI reported wireless customers for the starting and ending quarter) / 3
** As reported by BSNL to TRAI, reported gross revenue is higher as compared with preceding and succeeding quarters*
Source: TRAI, CRISIL MI&A

Observations:

- Bharti Hexacom (Airtel) has reported higher ARPU in Rajasthan and Northeast circle than its peers from Fiscal 2022 to nine months of Fiscal 2024

Blended ARPU (across all circles) (₹)

Operators	Across circle gross revenue with NLD revenue				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	97	105*	254*	253 *	130
Bharti Airtel	197	205	229	230	233
Vodafone Idea	163	159	184	182	200
Reliance Jio	162	165	192	191	196

Note: The above ARPU is calculated on gross revenue and has considered only circle revenue and NLD revenue. Gross revenue may include revenue from wireline, broadband, FTTH and other telecom services.
The calculated wireless ARPU may not match with player reported ARPU (Table: ARPU (Rs) (Reported)) as the method of calculation may differ. CRISIL has used the following formula for calculation of ARPU

** As reported by BSNL to TRAI, reported gross revenue is higher as compared with preceding and succeeding quarters*
ARPU for Fiscal year = (Sum for quarterly gross revenue for four quarters reported by TRAI / Average TRAI-reported wireless customers at the start of the first quarter and end of the fourth quarter) / 12
ARPU for nine months of period = (Sum for quarterly gross revenue for three quarters reported by TRAI / Average TRAI-reported wireless customers at the start of the first quarter and end of the third quarter) / 9
Source: TRAI, CRISIL MI&A

Exit Quarter Blended ARPU (across all circles) (₹)

Operators	Across circle gross revenue with NLD revenue				
	Q4 Fiscal 2021	Q4 Fiscal 2022	Q4 Fiscal 2023	Q3 Fiscal 2023	Q3 Fiscal 2024
BSNL	105	157*	256*	385*	147*
Bharti Airtel	194	220	229	233	239
Vodafone Idea	159	171	190	186	203
Reliance Jio	148	181	193	191	197

Note: The above ARPU is calculated on gross revenue and has considered only circle revenue and NLD revenues. Gross revenue may include revenue from wireline, broadband, FTTH and other telecom services.
The calculated wireless ARPU may not match with player reported ARPU (Table: ARPU (Rs) (Reported)) as the method of calculation may differ. CRISIL has used the following formula for calculation of ARPU
** As reported by BSNL to TRAI, reported gross revenue is higher as compared with preceding and succeeding quarters*
ARPU for quarter= (quarterly gross revenue reported by TRAI / Average of TRAI-reported wireless customers for the starting and ending quarters) / 3
Source: TRAI, CRISIL MI&A

Blended ARPU (across all circles) (Rs)

Operators	Across circle gross revenue without NLD revenue				
	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
BSNL	70	145*	228*	229	101
Bharti Airtel	165	192	212	212	214
Vodafone Idea	131	134	156	154	170
Reliance Jio	151	152	191	188	193

Note: The above ARPU is calculated on gross revenue and has considered only circle revenue. Gross revenue may include revenue from wireline, broadband, FTTH and other telecom services.
** As reported by BSNL to TRAI, reported gross revenue is higher as compared with preceding and succeeding quarters*
The calculated wireless ARPU may not match with player-reported ARPU (Table: ARPU (Rs) (Reported)) as the method of calculation may differ. CRISIL has used the following formula for calculation of ARPU
ARPU for Fiscal year = (Sum for quarterly gross revenue for four quarters reported by TRAI / Average TRAI-reported wireless customers at the start of the first quarter and end of the fourth quarter) / 12
ARPU for nine months period = (Sum for quarterly gross revenue for three quarters reported by TRAI / Average TRAI-reported wireless customers at the start of the first quarter and end of the third quarter) / 9
Source: TRAI, CRISIL MI&A

Revenue for Bharti Hexacom Ltd (adjusted gross revenue)

Revenue parameter	Fiscal 2021	Fiscal 2022	Fiscal 2023	9M Fiscal 2023	9M Fiscal 2024
Revenue from Rajasthan circle (Rs billion)	25.4	33.6	43.5	32.0	37.1
Revenue from Rajasthan circle, as a percentage of total revenue	78.6%	76.9%	76.7%	76.7%	78.2%
Revenue from Northeast circle (Rs billion)	6.9	10.1	13.2	9.7	10.4
Revenue from Northeast circle, as a percentage of total revenue	21.4%	23.1%	23.3%	23.3%	21.8%

Figures represent cumulative revenue for the Fiscal or for the nine months of the relevant Fiscal.
Source: TRAI, CRISIL MI&A

An overview of key financial parameters

Nine Months of Fiscal 2024 financial position (Rs million) - Standalone

	Revenue from operations			EBITDA			PAT		
	9M Fiscal 2023	9M Fiscal 2024	Growth	9M Fiscal 2023	9M Fiscal 2024	Growth	9M Fiscal 2023	9M Fiscal 2024	Growth
BSNL	127,586.5	129,054.4	1.2%	807.7	8,932.2	1005.9%	(54,576.7)	(45,218.4)	N.M

	Revenue from operations			EBITDA			PAT		
	9M Fiscal 2023	9M Fiscal 2024	Growth	9M Fiscal 2023	9M Fiscal 2024	Growth	9M Fiscal 2023	9M Fiscal 2024	Growth
Bharti Airtel	628,911.0	697,744.0	10.9%	348,372.0	385,010.0	10.5%	(14,438.0)	31,643.0	N.M.
Bharti Hexacom	48,465.0	52,208.0	7.7%	21,116.0	26,834.0	27.1%	3,473.0	2,818.0	-18.9%
Reliance Jio	673,920.0	741,600.0	10.0%	347,190.0	391,440.0	12.7%	134,910.0	151,290.0	12.1%
Vodafone Idea	314,422.0	318,209.0	1.2%	123,759.0	124,064.0	0.2%	(227,885.0)	(235,574.0)	N.M

Revenue from operations is as reported for nine months of Fiscal 2023 and Fiscal 2024; EBITDA = Total revenue – total expenses before interest tax, depreciation and extraordinary items. EBITDA includes other income; EBITDA margin = EBITDA/ total revenue; PAT is after considering extraordinary expense/ income; Ratios calculated as per CRISIL MI&A standards and may not match company reported numbers. Source: Company filings, CRISIL MI&A

Observations:

- In the nine months of Fiscal 2024, Bharti Airtel's revenue has grown the fastest at 10.9%, ₹ 697,744.0 million. During the same period, EBITDA has grown at 10.5% to ₹ 385,010.0 million.
- Bharti Airtel is India's largest integrated communications solutions provider in terms of consolidated operating revenue as of Fiscal 2023. Bharti Airtel is a blue-chip company listed on the Indian stock exchanges and had a market capitalisation of ₹ 6.6 trillion (including its partly paid shares) as of March 1, 2024.
- Bharti Airtel is a global communications solutions provider with over 500 million customers in 17 countries across South Asia and Africa. Bharti Airtel is among the top global mobile operators in terms of numbers of customers.

Revenue from operations - Standalone

Revenue from operations (Rs million)	Fiscal 2021	Fiscal 2022	Fiscal 2023	CAGR (Fiscal 2021 - 2023)
BSNL	174,518	168,092	191,278	4.7%
Bharti Airtel	643,259	707,950	847,201	14.8%
Bharti Hexacom	46,023	54,052	65,790	19.6%
Reliance Jio	698,880	769,770	907,860	14.0%
Vodafone Idea	416,727	382,207	419,171	0.3%

Revenue from operations is as reported; Source: Company filings, CRISIL MI&A

Earnings before interest, tax, depreciation and amortisation (EBITDA) and margin - Standalone

	Fiscal 2021		Fiscal 2022		Fiscal 2023		
EBITDA (million)	EBITDA	EBITDA %	EBITDA	EBITDA %	EBITDA	EBITDA %	CAGR (Fiscal 2021-2023)
BSNL	11,769	6.3%	9,437	5.0%	15,588	7.5%	15.1%
Bharti Airtel	303,720	45.5%	353,045	49.4%	464,325	53.2%	23.6%
Bharti Hexacom	11,544	24.5%	19,028	34.6%	29,259	43.5%	59.2%
Reliance Jio	314,610	44.7%	378,570	49.0%	470,340	51.6%	22.3%
Vodafone Idea	166,869	39.8%	155,310	40.5%	165,466	39.2%	-0.4%

EBITDA = Total revenue – total expenses before interest tax, depreciation and extraordinary items. EBITDA includes other income; EBITDA margin = EBITDA/ total revenue; Ratios calculated as per CRISIL MI&A standards and may not match company reported number. Source: Company filings, CRISIL MI&A

Profit after tax (PAT) and margin - Standalone

	Fiscal 2021		Fiscal 2022		Fiscal 2023		
PAT (Rs million)	PAT	PAT%	PAT	PAT%	PAT	PAT%	CAGR (Fiscal 2021-2023)
BSNL	(74,411)	-39.9%	(69,816)	-36.6%	(81,616)	-39.4%	N.M
Bharti Airtel	(251,976)	-37.8%	(38,637)	-5.4%	(896)	-0.1%	N.M
Bharti Hexacom	(10,339)	-22.0%	16,746	30.5%	5,492	8.2%	N.M
Reliance Jio	120,150	17.1%	148,170	19.2%	182,070	20.0%	23.1%
Vodafone Idea	(463,145)	-110.5%	(282,372)	-73.7%	(293,078)	-69.5%	N.M

Note: N.M: Not meaningful, as initial value or final value or both are negative
PAT is after considering extraordinary expense/ income.
Ratios calculated as per CRISIL MI&A standards and may not match company reported number.
Source: CRISIL MI&A

Observations:

- Bharti Hexacom (Airtel) registered the highest revenue CAGR of 19.6% and EBITDA CAGR of 59.2% between Fiscals 2021 and 2023 among the telecom players
- In Fiscal 2022, Bharti Hexacom (Airtel) had the highest PAT margin of 30.5%, supported by extraordinary income, followed by Reliance Jio with 19.2%. During the same period, Bharti Hexacom (Airtel) had the fourth-highest EBITDA margin
- Bharti Hexacom (Airtel) reported EBITDA margin of 43.5% in Fiscal 2023 among the telecom players, whereas Bharti Airtel had the highest EBITDA margin of 53.2%

Return ratios - Standalone

	RoCE (%)			RoE (%)			Asset turnover (times)		
	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2021	Fiscal 2022	Fiscal 2023
BSNL	(6.2)	(6.8)	(4.5)	(14.4)	(15.6)	(13.0)	0.1	0.1	0.1
Bharti Airtel	3.9	5.3	8.6	(32.6)	(5.2)	(0.1)	0.4	0.4	0.4
Bharti Hexacom	(1.4)	4.1	10.5	(52.1)	45.7	13.0	0.4	0.5	0.5
Reliance Jio	9.1	9.6	8.6	6.6	7.5	8.4	0.6	0.5	0.5
Vodafone Idea	(4.7)	(4.6)	(3.6)	N.M	N.M	N.M	0.4	0.3	0.3

Note: Ratios calculated as per CRISIL MI&A standards and may not match company reported numbers:
RoCE = Profit before interest and tax (PBIT) and before extraordinary items / Average [share capital + equity reserves + total debt + lease liabilities + deferred payment liabilities]; PBIT includes other income
Asset turnover = Operating income / gross block
RoE = PAT (including extraordinary income) / (share capital + equity reserves)
N.M – not meaningful as denominator is negative
Source: CRISIL MI&A

Observations:

- In Fiscal 2023, Bharti Hexacom (Airtel) had the highest RoE of 13.0% on a standalone basis

Coverage and leverage ratios - Standalone

	Fiscal 2021		Fiscal 2022		Fiscal 2023	
	Net debt/ EBITDA	ICR	Net debt/ EBITDA	ICR	Net debt/ EBITDA	ICR
BSNL	31.2	(0.5)	43.3	0.4	18.4	0.6
Bharti Airtel	4.1	2.8	3.6	3.2	3.9	4.0
Bharti Hexacom	6.7	2.4	4.7	3.5	2.8	5.0
Reliance Jio	1.1	7.9	2.3	8.5	3.4	11.5
Vodafone Idea	11.9	0.9	13.6	0.7	14.3	0.7

Note: Ratios calculated as per CRISIL MI&A standards and may not match company reported numbers:
Net debt/ EBITDA = [total debt + lease liabilities + deferred payment liabilities– cash and cash equivalents – marketable securities]/ EBITDA
Interest coverage ratio (ICR) = PBDIT net of other financial charges divided by interest expenses including interest on lease
Source: CRISIL MI&A

Observations:

- In Fiscal 2023, Bharti Hexacom (Airtel) had the second-highest interest coverage ratio of 5.0, while Reliance Jio had the highest interest coverage ratio of 11.5.
- Bharti Airtel has a strong financial-risk profile, aided by strong debt-protection metrics and financial flexibilities, as per CRISIL's rating rationale. It is rated AA+ by CRISIL Ratings as of July 2023.

Evolution of the Indian telecom sector

Year	Key trends in the Indian telecom sector
1995-1998	India introduced mobile telecom services in late 1995. But high tariffs and low demand limited growth. The industry had just 0.88 million customers by March 1998, of which more than half were from Delhi and Mumbai circles.
1999-2003	The National Telecom Policy 1999 reshaped the industry by shifting from fixed fee licence to revenue sharing, fostering more players. The sector saw transformation in 1999. Growth accelerated over Fiscals 1999-2003. Service providers added 1.7 million customers in Fiscal 2001, 2.9 million in Fiscal 2002 and 6.7 million in Fiscal 2003. By Fiscal 2003, the total number of mobile customers surged to 13.8 million.
2004-2009	In Fiscal 2004, the sector entered a significant growth phase with 20 million new customers added. Key drivers included the implementation of the calling party pays (CPP) regime in May 2003 (making incoming calls free) and Reliance Infocomm's service launch with low entry price offers. Service launches by new entrants and expansion by existing players propelled monthly additions beyond 15 million for the first time in January 2009.
2010-2011	In Fiscal 2010, customers surged with new operators offering affordable tariffs. Tata Teleservices' mid-2009 GSM launch kicked off a price war with its per-second billing, offering services at as low as one paisa per second. 2010 saw a 3G and broadband wireless access (BWA) spectrum auction that sold all 71 3G blocks and 44 BWA blocks put on auction across 22 circles.
2012-2014	In Fiscal 2012, customer net additions fell to 108 million from 227 million in Fiscal 2011 because of rising teledensity, decline in use of multiple SIM cards and moderate growth in rural net additions. Also, in February 2012, the Supreme Court ordered cancellation of all 122 unified access service licences issued in January 2008. In Fiscal 2013, the mobile customer base sharply declined from 919.2 million (March 2012) to 867.8 million (March 2013). Operators deactivated inactive customers, focusing on revenue earning customers. Fiscal 2014 saw growth, with major operators adding 37 million customers. Three round of spectrum auctions were held in November 2012, March 2013 and February 2014 for 1800 MHz, 800 MHz and 900 MHz bands.
2015-2020	In Fiscals 2015 and 2016, net additions continued owing to affordable smartphones and rising disposable income. The entry of Reliance Jio in 2016 sparked aggressive price wars, consolidating the industry to five players. Pricing stability prompted the discontinuation of lifetime validity plans and the introduction of minimum recharge plans in Fiscal 2019, resulting in SIM consolidation. Auctions of 2100 MHz, 1800 MHz, 900 MHz and 800 MHz spectrum bands were held in March 2015 and 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz and 2500 MHz bands in October 2016. Notable regulatory reforms during the period included spectrum liberalisation, relaxation of spectrum cap and spectrum sharing guidelines. Additionally, the government approved spectrum charges at 3% of AGR and revised ITC charges during the period. Furthermore, the TRAI also favoured net neutrality and penalised predatory tariff through an amendment to the Telecommunication Tariff Order in 2018.
2020-2023	With the onset of the pandemic in March 2020, communication services became crucial as corporates had to resort to work from home and schools went online. As a result, the customer base widened, which, however, moderated owing to subsequent tariff increases. The period saw spectrum auctions of 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz and 2500 MHz bands in March 2021 and spectrum auctions of 600 MHz, 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300 MHz and 26 GHz bands in July 2022. Noteworthy regulatory reforms during the period included scrappage of termination charges for local and national long-distance calls, rationalisation of AGR definition, removal of 3% floor on SUC, and approval of 4G saturation project. In December 2023, the government passed the Telecommunications Act, 2023, which amended and consolidated the laws relating to development, expansion and operation of telecommunication services and telecommunication networks. Prominent provisions under this Act includes monetary fine and imprisonment for obtaining SIM cards through fraud, mandatory user consent for receiving promotional messages, administrative allocation of spectrum without auctions for certain specified purposes, and non-interception of press messages of correspondents accredited to the Centre or state governments.

Year	Key trends in the Indian telecom sector
2024	On March 8, 2024, DoT issued notice inviting application to augment the existing telecom services and maintain continuity of services. The cumulative reserve price of the 10523.15 MHz spectrum put to auction is ₹ 963.17 billion. All the available spectrum in 800, 900, 1800, 2100, 2300, 2500, 3300 MHz and 26 GHz bands is part of the auction. There will be no SUC for spectrum acquired in this auction. Live auction is scheduled to start on May 20, 2024 as per auction timetable in NIA.

Source: CRISIL MI&A

Circles as per DoT telecom license

Circles	Area covered
Andhra Pradesh	Andhra Pradesh, Telangana
Assam	Assam
Bihar	Bihar, Jharkhand
Delhi	Delhi
Gujarat	Gujarat, Union Territory of Daman and Diu, Dadra & Nagar Haveli
Himachal Pradesh	Himachal Pradesh
Haryana	Haryana
Jammu & Kashmir	Jammu & Kashmir, Ladakh
Karnataka	Karnataka
Kerala	Kerala, Lakshadweep
Maharashtra	Maharashtra, Goa
Madhya Pradesh	Madhya Pradesh, Chhattisgarh
Northeast	Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Manipur, Tripura
Odisha	Odisha
Punjab	Punjab, Chandigarh
Rajasthan	Rajasthan
Tamil Nadu	Tamil Nadu, Pondicherry
Uttar Pradesh	Uttar Pradesh, Uttarakhand
West Bengal	West Bengal, Sikkim, Andaman & Nicobar Islands

Circle-wise RMS wireless for 9M Fiscal 2024

Circle	Bharti Airtel	Vodafone Idea	BSNL	MTNL	Reliance Communications	Reliance Jio
Andhra Pradesh	44.1%	10.6%	4.0%	0.0%	0.1%	41.3%
Assam	46.0%	4.6%	2.7%	0.0%	0.0%	46.7%
Bihar	42.3%	3.0%	1.6%	0.0%	0.0%	53.2%
Delhi	38.9%	13.7%	2.1%	2.9%	0.1%	42.3%
Gujarat	21.9%	27.0%	3.0%	0.0%	0.0%	48.1%
Haryana	33.8%	16.4%	4.1%	0.0%	0.0%	45.7%
Himachal Pradesh	41.2%	3.1%	7.1%	0.0%	0.0%	48.7%
J&K	48.0%	1.3%	3.5%	0.0%	0.0%	47.2%
Karnataka	54.0%	8.4%	4.5%	0.0%	0.1%	33.0%
Kerala	25.0%	32.5%	10.7%	0.0%	0.1%	31.7%
Kolkata	30.7%	22.5%	6.4%	0.0%	0.0%	40.4%
Madhya Pradesh	30.1%	20.0%	1.4%	0.0%	0.1%	48.5%
Maharashtra	22.7%	13.3%	2.7%	0.0%	0.0%	61.3%
Mumbai	32.5%	23.8%	8.5%	3.9%	1.1%	30.2%
Northeast#	52.7%	4.0%	3.5%	0.0%	0.0%	39.8%
Odisha	36.0%	2.5%	5.3%	0.0%	0.0%	56.2%
Punjab	40.1%	15.3%	4.5%	0.0%	0.0%	40.0%
Rajasthan#	40.4%	10.1%	3.4%	0.0%	0.0%	46.1%
Tamil Nadu	41.4%	15.8%	5.2%	0.0%	0.1%	37.5%
UP (E)	41.6%	8.4%	3.0%	0.0%	0.0%	47.0%
UP (W)	35.1%	15.9%	2.5%	0.0%	0.0%	46.5%
West Bengal	30.6%	13.2%	2.3%	0.0%	0.0%	53.9%

 # These two circles are operated by Bharti Hexacom Ltd; Source: DoT, TRAI, CRISIL MI&A

Circle-wise CMS wireless as of 9M Fiscal 2024/ Q3 Fiscal 2024

Circle	Bharti Airtel	Vodafone Idea	BSNL	MTNL	Reliance Jio
Andhra Pradesh	40.3%	13.1%	7.9%	0.0%	38.7%
Assam	45.0%	7.1%	12.5%	0.0%	35.4%
Bihar	43.8%	8.2%	5.5%	0.0%	42.5%
Delhi	45.0%	7.1%	12.5%	0.0%	35.4%
Gujarat	17.6%	31.5%	6.6%	0.0%	44.2%
Haryana	45.0%	7.1%	12.5%	0.0%	35.4%
Himachal Pradesh	40.3%	4.6%	17.5%	0.0%	37.6%
J&K	48.4%	2.5%	6.6%	0.0%	42.5%
Karnataka	48.2%	9.8%	6.4%	0.0%	35.6%
Kerala	20.0%	32.3%	22.1%	0.0%	25.6%
Kolkata	23.9%	22.7%	8.5%	0.0%	44.9%
Madhya Pradesh	20.3%	20.2%	6.1%	0.0%	53.4%
Maharashtra	23.1%	24.5%	6.3%	0.0%	46.1%
Mumbai	29.1%	32.8%	0.0%	0.7%	37.4%
Northeast#	49.8%	6.5%	10.0%	0.0%	33.6%
Odisha	34.5%	4.5%	16.4%	0.0%	44.6%
Punjab	35.7%	18.6%	11.7%	0.0%	34.0%
Rajasthan#	35.0%	16.7%	8.6%	0.0%	39.8%
Tamil Nadu	37.2%	20.4%	9.6%	0.0%	32.6%
UP (E)	36.5%	17.1%	8.3%	0.0%	38.3%
UP (W)	29.6%	24.7%	7.8%	0.0%	37.8%
West Bengal	31.0%	23.2%	4.1%	3.4%	41.7%
Total	**33.0%**	**19.3%**	**7.9%**	**0.3%**	**39.7%**

Note: Market share is calculated based on the wireless customer base; VNOs: Virtual network operators
 # These two circles are operated by Bharti Hexacom Ltd
Source: DoT, TRAI, CRISIL MI&A

Telecom Rajasthan RMS (AGR) (wireless + wireline)

Period	Bharti Hexacom (Airtel)	Reliance Jio	Vodafone Idea	Vodafone	Idea	Others
Fiscal 2014	44.6%	-	-	24.4%	11.5%	19.5%
Fiscal 2015	45.6%	-	-	22.8%	11.9%	19.8%
Fiscal 2016	46.9%	-	-	19.8%	12.2%	21.1%
Fiscal 2017	48.0%	-	-	23.1%	12.4%	16.5%
Fiscal 2018	41.1%	15.5%	-	22.1%	10.6%	10.7%
Fiscal 2019	30.3%	45.1%	20.0%	-	-	4.5%
Fiscal 2020	30.1%	52.3%	14.2%	-	-	3.4%
Fiscal 2021	32.7%	50.7%	12.5%	-	-	4.0%
Fiscal 2022	36.7%	48.8%	11.1%	-	-	3.3%
Fiscal 2023	39.5%	47.3%	10.6%	-	-	2.7%
9M Fiscal 2024	40.4%	46.1%	10.1%	-	-	3.4%

Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023.
Source: DoT, TRAI, CRISIL MI&A

Telecom Northeast RMS (AGR) (wireless + wireline)

Period	Bharti Hexacom (Airtel)	Reliance Jio	Vodafone Idea	Vodafone	Idea	Others
Fiscal 2014	44.6%	-	-	10.6%	1.9%	43.0%
Fiscal 2015	46.7%	-	-	11.5%	2.0%	39.8%
Fiscal 2016	47.8%	-	-	13.1%	2.4%	36.7%
Fiscal 2017	49.2%	-	-	18.1%	3.0%	29.7%
Fiscal 2018	42.4%	12.0%	-	17.8%	3.1%	24.7%
Fiscal 2019	38.0%	37.9%	16.8%	-	-	7.3%
Fiscal 2020	40.5%	42.6%	11.1%	-	-	5.8%

Period	Bharti Hexacom (Airtel)	Reliance Jio	Vodafone Idea	Vodafone	Idea	Others
Fiscal 2021	42.0%	44.2%	8.6%	-	-	5.1%
Fiscal 2022	48.5%	41.4%	6.2%	-	-	3.8%
Fiscal 2023	52.5%	39.2%	5.1%	-	-	3.2%
9M Fiscal 2024	52.7%	39.8%	4.0%	-	-	3.5%

Note: RMS is calculated based on adjusted gross revenue reported by wireless operators to TRAI. Others include BSNL, Aircel, Tata Teleservices and Sistema in Fiscal 2014 to list a few; others include Reliance Communications, MTNL and BSNL in Fiscal 2023.
Source: DoT, TRAI, CRISIL MI&A

OUR BUSINESS

To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", "Management's Discussions and Analysis of Financial Condition and Results of Operations" and "Restated Financial Information" on pages 35, 120, 340 and 254, respectively, as well as the financial and other information contained in this Red Herring Prospectus.

This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties and other factors, many of which are beyond our control. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Red Herring Prospectus. For details, see "Forward-Looking Statements", on page 33 of this Red Herring Prospectus.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of telecom industry in India" dated March 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL, who were appointed by our Company pursuant to an engagement letter dated November 17, 2023, and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. The CRISIL Report is available on the website of our Company at https://www.bhartihexacom.in/ipo.html# from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included in "Material Contracts and Documents for Inspection – B. Material Documents" on page 518. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. For more information, see "Risk Factors – 37. We have used information from the CRISIL Report, which we commissioned for industry related data in this Red Herring Prospectus and any reliance on such information is subject to inherent risks" on page 55.*

Unless otherwise stated, or the context otherwise requires, the restated financial information used in this section is derived from our Restated Financial Information. Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year.

Overview

We are a communications solutions provider offering consumer mobile services, fixed-line telephone and broadband services to customers in the Rajasthan and the North East telecommunication circles in India, which comprises the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. We offer our services under the brand 'Airtel'. We have a distinct strategy to premiumise our portfolio by acquiring and retaining quality customers and deliver an experience to them through our omnichannel approach and use of data science. We have a gamut of digital offerings to enhance customer engagement and differentiated customised offerings through family and converged plans under Airtel Black proposition, which has resulted in the continuous improvement of our revenue market share during the last three Fiscals. We undertake prudent cost optimisation measures to improve our profitability and maintain an efficient capital structure with a comfortable leverage position. We continuously invest in network expansion, technology advancement and judicious spectrum investments. As of December 31, 2023, we had invested ₹ 206 billion in capital expenditure in our future ready digital infrastructure. We also derive significant synergies from our relationship with our Promoter, Airtel, through the expansive digital infrastructure, digital experience and the digital services it provides to its customers.

Our revenue market share for the Rajasthan circle was 40.4%, 39.2%, 39.5%, 36.7% and 32.7%, while for the North East circle was 52.7%, 52.4%, 52.5%, 48.5% and 42.0% during the nine months ended December 31, 2023 and 2022 and Fiscals 2023, 2022 and 2021, respectively. We were at number one position in the North East circle during the nine months ended December 31, 2023 and Fiscals 2023 and 2022. In the Rajasthan circle, the market share gap between us and the market leader has narrowed between Fiscal 2021 and the nine months ended December 31, 2023 and we stood at the close second position during the nine months ended December 31, 2023. *(Source: CRISIL Report)* We have been able to consistently increase our ARPU for mobile services from ₹135 for Fiscal 2021 to ₹155 for Fiscal 2022 to ₹185 for Fiscal 2023 to ₹197 for the nine months ended December 31, 2023.

As of December 31, 2023, we were present in 486 census towns and had an aggregate of 27.1 million customers across both the circles. Our customer market share has grown consistently in Rajasthan from 33.1% as of March 31, 2021 to 35.0% as of December 31, 2023 and in the North East from 43.6% to 49.8% between the same dates. *(Source: CRISIL Report)* We have the highest number of Visitor Location Register ("**VLR**") customers (6.4 million) and a VLR market share of 52.3% in the North East circle and the second highest in the Rajasthan circle with 23.2 million customers and a VLR market share of 38.7%, as of December 31, 2023. *(Source: CRISIL Report)* As of the same date, our customer base included 19,144 thousand data customers, of which 18,839 thousand were 4G and 5G customers, and data consumption per customer per month stood at approximately 23.1 GB during the nine months ended December 31, 2023.

We rely on a robust network infrastructure with a mix of owned and leased assets. As of December 31, 2023, we utilized 24,874 network towers, of which we owned 5,092 towers, and the remaining 19,782 towers were leased from tower companies. We have a spectrum portfolio with varied pool of mid band spectrum (1800/2100/2300 MHz bands), which has enabled us to offer 5G Plus services on the widely chosen non-standalone network architecture and at a low cost of ownership. *(Source: CRISIL Report)* This has enabled us to save a significant amount of capital towards sub-GHz spectrum for 5G roll out and additional capital expenditure required to be spent on network infrastructure to deploy the same. During the nine months ended December 31, 2023 and 2022 and Fiscals 2023, 2022 and 2021, our capital expenditure was ₹ 16,003 million, ₹ 25,577 million, ₹ 30,518 million, ₹ 8,745 million and ₹ 15,767 million, or 30.65%, 52.77%, 46.39%, 16.18% and 34.26% of our revenue from operations, respectively.

We have an extensive distribution and service network across the regions we operate in and during the nine months ended December 31, 2023 and the last three Fiscals, we have set up 51 retail outlets and 24 small format stores to reach 90 cities, as of December 31, 2023. As of December 31, 2023, our distribution network comprised 616 distributors and 89,454 retail touchpoints.

Our Company was originally incorporated in 1995 as 'Hexacom India Limited'. In 2004, the name of our Company was changed to 'Bharti Hexacom Limited' when Airtel acquired a majority equity interest in our Company. Airtel owns 70% of our outstanding equity share capital, as of the date of this Red Herring Prospectus. Airtel is a global communications solutions provider with over 500 million customers in 17 countries across South Asia and Africa. It is among the top global mobile operators in terms of number of customers and is India's largest integrated communications solutions provider in terms of consolidated operating revenue as of Fiscal 2023. *(Source: CRISIL Report)* Airtel's retail portfolio includes mobile services, fixed-line telephone, broadband services and Digital TV services. Airtel Xstream Fiber is a one-stop solution for all the high-speed internet and content needs of customers with convergence across linear and on-demand entertainment, streaming services spanning music and video. For enterprise customers, Airtel also offers a gamut of solutions that include secure connectivity, cloud and data center services, cyber security, IoT, Ad Tech and CPaaS (Airtel IQ). Its flywheel of digital services include the Airtel Payments Bank, Wynk Music, Airtel Ads, Airtel IQ and Nxtra by Airtel.

The Government of India through Telecommunications Consultants India Limited ("**TCIL**") owns 30% of our outstanding equity share capital. TCIL is an engineering and consultancy company and was set up in 1978 for providing Indian telecom expertise in all fields of telecom and information technology to developing countries around the world. Its core competence is in the fields of switching, transmission systems, cellular services, rural telecommunication, optical fibre based backbone transmission systems, information technology and networking solutions, application software, e-Governance, 4G/5G, FTTH, VOIP, Wi-Fi surveillance, cyber security and civil construction and project management consultancy services.

The following table sets forth certain key information of our Company for the periods indicated:

Particulars	**Unit**	**As of and for the nine months ended December 31,**		**As of and for the year ended March 31,**		
		2023	**2022**	**2023**	**2022**	**2021**
Revenue from operations	₹ in million	52,208	48,465	65,790	54,052	46,023
Revenue from mobile services	₹ in million	50,696	47,354	64,247	52,976	45,300
Revenue from mobile services as a percentage of revenue from operations	%	97.10%	97.71%	97.65%	98.01%	98.43%
Revenue from home and office services	₹ in million	1,512	1,111	1,543	1,076	723
Revenue from home and office	%	2.90%	2.29%	2.35%	1.99%	1.57%

Particulars	Unit	As of and for the nine months ended December 31,		As of and for the year ended March 31,		
		2023	2022	2023	2022	2021
services as a percentage of revenue from operations						
Total income	₹ in million	54,208	49,424	67,192	54,940	47,043
EBITDA[1]	₹ in million	25,764	20,910	28,884	18,985	11,373
EBITDA Margin[1]	%	49.35%	43.14%	43.90%	35.12%	24.71%
Re-stated Profit/(Loss) for the period*	₹ in million	2,818	3,473	5,492	16,746	(10,339)
ARPU for mobile services as per TRAI[2#]	₹	211	201	203	168	146
ARPU for mobile services[3]	₹	197	184	185	155	135
ARPU for fixed-line telephone and broadband services[3]	₹	544	610	598	683	774
Customer base for mobile services as per TRAI[#]	million	29.3	27.8	28.4	27.4	27.4
Customer base for fixed-line telephone and broadband services as per TRAI[#]	million	0.3	0.2	0.2	0.1	0.1
Customer base for mobile services[4]	000's	26,782	25,479	25,827	24,767	24,979
Customer base for fixed-line telephone and broadband services[4]	000's	289	198	219	131	70
Return on capital employed[5]	%	10.68%	7.58%	10.72%	4.10%	(1.58)%
Net Debt[6] to EBITDA[1]	number	2.9	3.8	2.8	4.7	6.8
Net worth[7]	₹ in million	39,788	39,202	39,722	35,732	18,987

[1] *EBITDA is calculated as re-stated profit before depreciation, amortization, finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities. EBITDA Margin (%) is calculated as EBITDA (excluding interest income and net gain on marketable securities) divided by Revenue from operations. For a reconciliation of EBITDA and EBITDA Margin, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

[2] *For internal ARPU computation purposes, we use stringent definition of customer base in terms of revenue earning customer ("**REC**") which means customers who have performed any activity i.e. call/SMS/data usage, in the last 30 days. In contrast, in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).*

[3] *ARPU is a factor of revenue earned from customers divided by REC base. For internal ARPU computation purposes, we use stringent definition of customer base in terms of REC which means customers who have performed any activity i.e. call/SMS/data usage, in the last 30 days. In contrast, in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).*

[4] *Our Company uses a stringent definition of customer base in terms of REC and accordingly such numbers are different from TRAI published Telecom Subscription Data.*

[5] *Return on Capital Employed is calculated as EBIT for the year/ period divided by average capital employed. EBIT is calculated as re-stated profit before finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities. Average capital employed is calculated as total of average equity plus average net debt. For a reconciliation of Return on Capital Employed, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

[6] *Net Debt is calculated as total of non-current and current borrowings plus non-current and current lease liabilities minus cash and cash equivalents and investments. For a reconciliation of Net Debt, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

[7] *Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company). For a reconciliation of net worth, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

* *During the nine months ended December 31, 2023 and Fiscals 2022 and 2021, re-stated profit/ (loss) for the period includes exceptional items. For further information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations" on page 361.*

[#] *As reported by TRAI.*

Our Competitive Strengths

Established Leadership and Large Customer Base in our area of operations

We provide consumer mobile services, fixed-line telephone and broadband services to customers in Rajasthan and in the North East telecommunication circles in India, which comprises the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. As of December 31, 2023, we were present in 486 census towns and had an aggregate of 27.1 million customers. As of the same date, our customer base included 19,144 thousand data customers, of which 18,839 thousand were 4G and 5G customers, and our customers consumed approximately 23.1 GB of data per customer per month during the nine months ended December 31, 2023.

The following table sets forth details of our wireless revenue market share and customer market share (as reported by TRAI) for the periods indicated:

Particulars	As of and for the nine months ended December 31,		As of and for the year ended March 31,		
	2023	2022	2023	2022	2021
Revenue Market Share					
Rajasthan	40.4%	39.2%	39.5%	36.7%	32.7%
North East	52.7%	52.4%	52.5%	48.5%	42.0%
Customer Market Share					
Rajasthan	35.0%	34.8%	35.3%	34.5%	33.1%
North East	49.8%	48.1%	48.0%	47.2%	43.6%

(Source: CRISIL Report)

We were at number one position in the North East circle during the nine months ended December 31, 2023 and Fiscals 2023 and 2022. In the Rajasthan circle, the market share gap between us and the market leader has narrowed between Fiscal 2021 and the nine months ended December 31, 2023 and we stood at the close second position during the nine months ended December 31, 2023. *(Source: CRISIL Report)* We believe that we have been able to grow our market share by our simple and cogent strategy on acquiring and retaining high value customers by offering them superior experience at competitive prices. Our digital infrastructure investments, digital experience and the digital services we provide along with Airtel and its affiliates have facilitated our growth in market share and catered to the needs of our customers. Customised offerings through family plans and converged plans under the Airtel Black proposition have contributed in improving our market share in post-paid segment. As a result of our strategy, we have been able to consistently increase our ARPU and market share in our circles. During the nine months ended December 31, 2023 and Fiscals 2023 and 2022, we reported higher ARPU than our competitors in our two circles. *(Source: CRISIL Report)* During the nine months ended December 31, 2023 and the last three Fiscals, we have invested ₹71,003 million in capital expenditure on expanding our network coverage and infrastructure. During the nine months ended December 31, 2023 and the last three Fiscals, we deployed 9,805 network sites and we aim to continue to deepen our focus on key revenue generating cities and high value catchment areas and expand our coverage in rural areas.

We have the highest number of VLR customers of 6.4 million and a VLR market share of 52.3% in the North East circle and the second highest VLR customers in the Rajasthan circle with 23.2 million customers and a VLR market share of 38.7%, as of December 31, 2023. *(Source: CRISIL Report)* VLR data is used to determine the number of active users on a mobile network. VLR is a temporary database of the customers who have roamed into the particular area that it serves. Each base station in the network is served by exactly one VLR, hence a customer cannot be present in more than one VLR at a time. *(Source: CRISIL Report)*

According to the CRISIL Report, the wireline internet density of India was 8.9%, while that of Rajasthan was 4.0% and North East was 3.0% as of Fiscal 2023. We have increased the number of our fixed-line telephone and broadband customers from approximately 70 thousand as of March 31, 2021 to approximately 289 thousand as of December 31, 2023. Our strategy for fast paced network coverage expansion, network deployment and having an asset light business model has been backed by our partnerships with local cable operators ("**LCO**") in most of the regions we operate. Such arrangements led to faster roll out of fiber home passes, shorten time for go-to-market beyond larger towns and accelerate revenue growth. This has enabled us to provide high speed and reliable broadband connectivity to customers. We have increased the number of cities in which we provide such services from 23 cities, as of March 31, 2021 to 90 cities, as of December 31, 2023.

Presence in Markets with High Growth Potential

We operate in the Rajasthan and North East telecommunication circles in India. According to the CRISIL Report, Rajasthan had 67.0 million telecom customers contributing 5.6% to overall India telecom customers, while the North East had 12.7 million customers, contributing 1.1% to overall India telecom customers in the nine months of Fiscal 2024.

According to the CRISIL Report, Rajasthan had a teledensity of 79.5% as of Fiscal 2023, which lags the national average of 84.5% due to its lower rural teledensity of 57.2%. Rajasthan's customer base is expected to grow at 1.4% to 1.5% between Fiscals 2023 and 2028 reaching 69.0 million to 69.5 million with a teledensity of 82% to 83% following pan-India trends with rising rural teledensity. Wireless customers are expected to account for approximately 98.5% of the customers by Fiscal 2028. Rajasthan's focus on resolving regional imbalances and supporting growth in rural areas will create demand for telecom services in rural areas of the state, driving customer growth. The gross revenue of the Rajasthan circle was approximately ₹127.6 billion in Fiscal 2023 growing at CAGR of 4.4% between Fiscals 2014 and 2023. However, its revenue grew robustly at 17% in Fiscal 2023 in line with the national trend and the industry is expected to grow at 7% to 8% between Fiscals 2023 and 2028 to reach ₹ 183 to 185 billion, supported by a rise in teledensity in the region, especially in rural regions, higher tariffs and an increase in internet penetration in the state. *(Source: CRISIL Report)*

The North East circle had a teledensity of 79.7% as of Fiscal 2023 with a majority of its telecom customers being wireless due to the limited penetration of wireline services on account of challenges in laying and maintaining wireline infrastructure given the region's hilly terrain and extreme weather conditions. The region is also receiving special attention from the Government towards infrastructure improvement. The government is implementing various schemes including a 4G saturation project for the provision of 4G mobile services across all 24,680 uncovered villages of India, including in the North East. The customer base in the North East is expected to grow at 1% to 1.5% between Fiscals 2023 and 2028 reaching 13.2 to 13.5 million with a teledensity of 81 to 82%. Wireless customers are expected to account for approximately 98% of the customers as of Fiscal 2028. The gross revenue of the North East circle was approximately ₹ 29.6 billion in Fiscal 2023 growing at CAGR of 3.1% between Fiscals 2014 and 2023, lower than the pan-India telecom industry CAGR of approximately 5.6%. However, the North East circle telecom industry is expected to grow at 6% to 7% between Fiscals 2023 and 2028 to reach ₹ 39 to 41 billion, supported by rising teledensity, higher internet penetration and a potential increase in ARPU in the region. *(Source: CRISIL Report)*

The industry ARPU for wireless services in the Rajasthan circle grew from ₹68 to ₹145 at a CAGR of 20.8%, while in the North East circle it grew from ₹74 to ₹170 at a CAGR of 23.1%, outperforming the national ARPU growth from ₹71 to ₹142.3 at a CAGR of 19.0%, between Fiscals 2019 and 2023. These two regions are expected to see improvement in teledensity and adoption of smartphones in rural areas through investments in network infrastructure along with factors including the growth of digital payments indicating strong growth potential for telecom and data services, rise in data consumption and growth in demand for e-education. *(Source: CRISIL Report)* We believe that our established leadership position in these circles may place us well to capitalize on growth opportunities.

Rajasthan's gross state domestic product ("**GSDP**") stood at ₹7,994 billion as of Fiscal 2023 growing at a CAGR of 5.7% from ₹4,862 billion in Fiscal 2014, while the GSDP of the North East stood at ₹1,440.4 billion as of Fiscal 2022 growing at a CAGR of 5.6% from ₹928.3 billion in Fiscal 2014. An established physical infrastructure is needed for the overall development of these states, which will play a crucial role in generating employment opportunities supporting the growth of per-capita income. In the era of digitization, IT and communications sector will be among the key sectors that will play a critical role in boosting overall economy of the states, creating new milestones for online information flow. *(Source: CRISIL Report)* We believe that we benefit from strong growth potential in such regions.

The central and state governments have been implementing various infrastructure development projects to improve air, rail, road, power and telecom connectivity in these regions. For Fiscal 2024, Rajasthan has earmarked ₹53.7 billion for the Department of Information Technology and Communication. In the North East, over 40 projects have been completed between Fiscals 2017 and 2022 to improve air connectivity with 17 operational airports in the region as of Fiscal 2023; 2,011 kms of railway projects are under different stages of planning, approval or execution; 4,016 kms of roads are under various stages of completion and 3,100 kms of roads have been constructed since Fiscal 2017. To improve telecom connectivity, the government is implementing the BharatNet project in a phased manner to provide broadband connectivity to all gram panchayats in the country and has disbursed ₹6.4 billion between Fiscals 2017 and 2022 for this project in the North East region. The government is also implementing the North Eastern Region Power System Improvement Project to improve power connectivity in the region. *(Source: CRISIL Report)*

Strong Parentage and Established Brand

Airtel owns 70% of our outstanding equity share capital. Airtel is a global communications solutions provider with over 500 million customers in 17 countries across South Asia and Africa. During the nine months ended December 31, 2023 and Fiscal 2023, Airtel had a revenue market share in India of 37.2% and 36.1%, respectively, and as of December 31, 2023, it had 381.7 million mobile customers representing a customer market share of 33.0%. Airtel has a net debt to EBITDA of 2.5 on a consolidated basis, as of December 31, 2023. It has a strong financial risk profile aided by strong debt protection metrics and financial flexibilities as per CRISIL's rating rationale and is rated AA+ by CRISIL Ratings as of July 2023. Airtel is a blue chip company listed on the Indian stock exchanges and had a market capitalization of ₹6.6 trillion (including its partly paid shares), as of March 1, 2024. *(Source: CRISIL Report)*

We derive significant synergies from our relationship with Airtel and its affiliates, including through Indus Tower's infrastructure, inter circle roaming arrangements, its national long distance network and corporate functional support. Our relationship helps us drive growth, optimize capital efficiency and maintain our competitive advantage. We are able to obtain better terms from our vendors and other third parties due to the scale of our combined operations. We also derive operational efficiencies by centralizing and sharing certain key functions across our businesses such as finance, legal, information technology, strategy, procurement and human resources.

Certain key areas in which we benefit from our relationship with Airtel are as follows:

- ***Brand*****:** We offer our services under the brand 'Airtel', which is widely recognized in India, as well as several overseas jurisdictions. We believe that the strength of the 'Airtel' brand helps us in many aspects of our business, particularly since we engage in direct sales to retail customers. Our association with the 'Airtel' brand provides us with a competitive advantage in attracting talent, benefiting from its global network infrastructure, corporate governance practices and acquiring direct access to senior decision makers. We believe that the strength of the 'Airtel' brand and advertising campaigns have contributed significantly in the growth of our market share and have helped us fortify our market position. The 'Airtel' brand has won several awards including the 4th most valuable brand in India by Kantar BrandZ in 2023 -Category leader in Telecom Providers; it was the fastest riser to enter the Kantar BrandZ global top 100 brands list at rank 76 and its brand value rose by 24% during 2023; and Brand of the Decade as it has been consistently ranked in the top five most valuable brands in India during the last 10 years by Kantar BrandZ.

- ***Service offerings*****:** Airtel and its affiliates have built a comprehensive portfolio with three layers - digital infrastructure, digital experience and digital services. Their digital services include Airtel Payments Bank, Airtel Xstream, Airtel Thanks, Airtel Wynk (music streaming) and Direct-to-Home (Digital TV). The payments bank provides our customers access to banking services on their mobile phones with just a few clicks, while Airtel Xstream offers a large bouquet of OTT platforms to customers across mobile and large screens. Further, 'Airtel Black' is a converged plan which enables customers to subscribe to more than one service while having the convenience of getting a combined bill and single payment, one customer care number, dedicated relationship team, and priority resolution. These service offerings have encouraged 2G customers to migrate to our 4G and 5G Plus services and pre-paid customers to upgrade to our post-paid services, all of which resulted in a sustained ARPU improvement for us.

- ***ESG framework*****:** Airtel considers sustainability as an integral part of its core business strategy with focus on the Environment – greening its network, achieving climate resilience, resource efficiency and waste management; Social – diversity and inclusion, talent development and retention and occupational health and safety; Governance – sustainable supply chain management and corporate governance. Airtel is committed to lowering its carbon footprint through a comprehensive climate change combat plan. We implement various initiatives across our Company and operations as well. Airtel's efforts towards its ESG initiatives have been recognised with the Golden Peacock Award for sustainability in 2023 and 2022. It was awarded the 'ICSI National Award for Excellence in Corporate Governance, 2022' and adjudged as 'Best Governed Company' by the Institute of Company Secretaries of India in the listed segment - large category. Airtel's ESG ratings were upgraded by MSCI Ratings from 'BBB' to 'A' and by CDP Ratings from 'C' to 'B' during Fiscal 2023. It witnessed a significant improvement in the global ranking from '104' to '32' and shift from 'Medium' to 'Low' ESG risk by Sustainalytics during Fiscal 2023. Further, it has been consistently graded 'CRISIL GVC Grading Level-1' for the last 18 years reflecting its high level of corporate governance practices.

Building a Future Ready Network

We rely on a robust network infrastructure through owned and leased assets. We benefit from the telecommunication infrastructure and other digital assets of our Promoter, Airtel and its investment in Indus Towers. Over the years, we have increased use of digital tools, data science and technology to enhance the network efficiency, optimise costs and make our networks more environment friendly. As of December 31, 2023, we were present in 486 census towns in the two circles in which we operate with 5,092 owned and 19,782 leased network towers. During the nine months ended December 31, 2023, our customers spent 260,674 million minutes and consumed 3,719 million gigabytes on our network. We have a spectrum portfolio with varied pool of mid band spectrum (1800/2100/2300 MHz bands) along with spectrum holding in 900 Mhz, 3500 MHz and 26 Ghz bands. Over the years, we have followed prudent capital allocation and spectrum acquisition and we chose not to acquire the expensive 700 Mhz band for our 5G network. None of our existing spectrum expires before the year 2030, the validity of our spectrum pool ranges between the years 2030 and 2042 and we do not expect to incur any significant capital expenditure towards spectrum acquisition until the specific spectrum band expires.

Our 5G Plus services are deployed on the recently acquired 3500 Mhz band in non-standalone mode with dual connectivity. The non-standalone network utilises dual connectivity of 5G and 4G spectrum to extend the 5G coverage for a given service level without the need of dedicating sub-GHz spectrum in 5G, thereby providing higher coverage at lower cost. Non-standalone network deployment has lower capital expenditure requirements, low cost of ownership, reduced environmental impact due to lower overall power consumption on account of fewer 5G radios and has been the widely chosen network architecture with approximately 85% of telecom operators worldwide initiating 5G deployment based on such architecture. *(Source: CRISIL Report)*

While we are present in two circles, our customers benefit from Airtel's pan-India telecommunication network as well as its other infrastructure and overseas operations and network. As of December 31, 2023, Airtel had 307,663 network towers, which our customers are able to use within both, our circles as well as all other circles in India. As of the same date, Airtel had 905,556 mobile broadband base stations. To cater for the exponential growth in demand for data services and to build global fiber network, Airtel has invested in submarine cables and fiber connectivity across the country. Its optical fiber cable transmission network, which consists of owned and through indefeasible rights of use arrangements with other telecommunication operators, extends to approximately 430,412 Rkms in India, while its global fiber network runs across over 400,000 Rkms covering 50 countries and five continents and it had seven submarine cable systems, as of December 31, 2023. On account of the significant growth in data consumption in India, the need for an extensive fiber network has become critical and our customers experience reduced latency and benefit due to our relationship with Airtel.

According to the CRISIL Report, there are high entry barriers for a new telecom player in India on account of the regulation of spectrum and requirement to purchase it through DoT auctions, high capital investments required for sustaining telecom services, hurdles in establishing network coverage across India, competing with established players and economies of scale available to them and consolidation of the market. Accordingly we believe that it is difficult for a new player to replicate our business and expansive network infrastructure. While entry barriers for the telecom industry are high due to high capex intensity, significant spectrum acquisition cost, and consolidated nature of industry, for a new telecom player in the Rajasthan and North East circle, the entry barriers are even higher on account of the geographic challenges in laying down and maintaining telecom infrastructure in areas with low population density and hilly terrain. *(Source: CRISIL Report)*

Extensive Distribution and Service Network

We have an extensive sales and distribution network across the rural and urban areas of the Rajasthan and North East circles serviced by 616 distributors and 75 stores operated by us, as of December 31, 2023. Our distribution partners are digitally empowered to sell Airtel services through the 'Mitra' app, which has been licensed to us by one of Airtel's affiliates, and which facilitates mobile recharge transactions between distributors and retailers and supports onboarding of new customers.

We believe that our exclusive retail footprint comprising 89,454 retail touchpoints, as of December 31, 2023, is one of the key differentiators, including for supporting high value customers and providing them superior experience. Our exclusive retail footprint is an integral part of our customer acquisition and engagement strategy, designed to bring the Airtel brand closer to our customers. As of December 31, 2023, we had setup 24 small format low-cost stores, in addition to the 51 retail stores in our two circles to deepen our retail presence and primarily drive the sale of our post-paid, homes broadband and international roaming services.

We have created 5G experience zones across all our large format retail stores. At these specially curated zones, we demonstrate the power of our 5G Plus to customers through its data speeds and emerging use cases including immersive virtual reality entertainment and cloud gaming. Our trained store staff demonstrate use cases and explain our 5G Plus and other offerings to customers. At our own stores, our staff focuses on superior customer experience, showcasing our offerings, attract customers to value focused post-paid and Airtel Black services, while our retail touchpoints focus on onboarding new customers and selling recharge packages to pre-paid customers. Our digital distribution channel is cost efficient and enhances customer experience.

Our customers also use the 'Airtel Thanks' app, which is a one-stop digital platform where customers can seamlessly access several of Airtel's offerings and contact the dedicated customer care service. The 'Airtel Thanks' app is widely used by Airtel customers, which was reflected in its monthly active users of approximately 117 million, as of March 31, 2023. The platform has been recognized as the most innovative mobile application in the mobile industry at the prestigious ET Telecom Awards 2020.

Experienced Management Team

Our operations are conducted by an experienced management team that has significant experience in all aspects of our business operations. We believe we benefit significantly from their expertise, including our chairman, J.S. Deepak, our directors Devendra Khanna, Soumen Ray, our Chief Executive Officer, Marut Dilawari and our Chief Financial Officer, Akhil Garg. In addition, our Board of Directors includes independent directors who bring significant business expertise. Our management team has been involved in the telecommunication industry in India for a long period. During this time, they have developed sector specific knowledge, operational expertise and an in-depth understanding of the key opportunities and risks associated with our business. Their expertise in the industry is reflected in our ability to maintain our leading position despite significant competition and new entrants in the market. We believe that the combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities.

Our Strategies

The primary elements of our business strategy are to grow our revenues by focussing on acquiring and retaining quality customers, expand our network coverage, deliver brilliant customer experience through an omnichannel approach and use of data science, and improve our cost efficiencies.

Grow Our Revenue by Focusing on Acquiring and Retaining Quality Customers

Our strategy is to premiumise our portfolio with continuous upgrades from 2G to 4G/5G customers, upgrading customers within our 4G plans for higher data packs, pre-paid to post-paid upgrade, contextual data monetisation, and through converged offerings. Our simple and clear strategy helps us drive our ARPU growth agenda in absence of tariff hike, which is reflected in our performance. Our post-paid acceleration is driven by our family plans offerings and converged offering through Airtel Black. With rising customer needs for telecommunication services, high speed data, and changing content consumption habits, we are witnessing an increased share of wallet for such services. We have a gamut of digital offerings to enhance customer engagement on our network. Data monetisation is an important lever for ARPU improvement, which we have been driving through use of contextual marketing. We revamped our international roaming offering and branded it as 'World Pass', which is a single roaming pack for travel across 184 countries, which provided cost effectiveness and flexibility for customers.

According to the CRISIL Report, the contribution of post-paid customers in India accounted for approximately 8.1% of total mobile telecom customers during Fiscal 2023, which was significantly lower than other countries such as United States (69% to 70%) and Germany (54%) as of 2023. Even in countries such as Thailand and Brazil, the share of post-paid customers (including point of sale and machine to machine) is higher than in India – 30% and 57%, respectively, as of 2023. This demonstrates significant potential for post-paid uptake in India. The shift in customers towards post-paid has been gathering pace since Fiscal 2020, owing to better post-paid bundled tariffs. India and China have the lowest tariffs in absolute dollar terms compared with other comparable economies. China has the lowest fixed broadband basket price (at least 5 GB) at $4.5 per month, while India at $5.0 per month, offers unlimited data. India has the lowest price for mobile telecom at $2.0 among peers such as China, Thailand and Vietnam with tariffs of $6.2, $10.7 and $2.3 respectively, indicating headroom for improvement in ARPU in India with growth in per capita income.

According to the CRISIL Report, pre-paid customers in the Rajasthan circle accounted for a dominant share of the wireless segment and stood at 95.1%, higher than the share of pre-paid customers for the overall India market at 91.9%, as of Fiscal 2023. The share of prepaid customers in the Rajasthan circle has been reducing marginally, moving towards post-paid since Fiscal 2020, due to better post-paid bundled tariff offerings by the telecom players. Similarly, in the North East circle, pre-paid customers had the dominant share in wireless services and stood at 97.1% as of Fiscal 2023. The share of pre-paid customers in the North East circle is reducing marginally and moving towards post-paid since Fiscal 2016 onwards, due to better post-paid bundled tariff offerings by telecom players. We intend to capitalize on such opportunities and increase our share of post-paid customers, which will result in an increase in our ARPU.

For broadband services, Airtel Xstream Fiber is a one-stop solution for all the high-speed internet and content needs of the customers. It provides high speed internet with convergence of on-demand entertainment, streaming services spanning music and video. The experience is enhanced with single sign-on and universal search across all forms of content at home, which has helped us cater to high value homes by providing such competitive and bundled services.

Expand Our Network Coverage

We continue to expand our network coverage across the regions in which we operate with a focus on key revenue generating cities and high value catchment areas to increase our customer base and enhance customer experience. Between March 31, 2021 and December 31, 2023, we have increased our coverage in non-census towns and villages from 63,368 to 66,632, our population coverage from 94.2% to 96.0%, our network towers from 17,188 to 24,874 (of which we owned 5,092 towers and leased the remaining 19,782 from tower companies) and our total mobile broadband base stations from 56,510 to 77,735. The expansion of our rural coverage has won us our share of 4G/5G customers, which is partially reflected in the increase in our 4G/5G data customers from 13,348 thousand as of March 31, 2021 to 18,839 thousand as of December 31, 2023. During the nine months ended December 31, 2023 and the last three Fiscals, we have incurred ₹71,033 million on expanding our network coverage and infrastructure. As a result of such initiatives, we have been able to consistently increase our ARPU and market share in our circles.

We offer fixed-line telephone and high-speed broadband services with speeds of up to 1 Gbps, ensuring both, fast internet connectivity and reliable voice services. Our strategy for fast paced network coverage expansion, network deployment and having an asset light business model, has been backed by our partnerships with local cable operators in most of the regions we operate. Such arrangements have enabled us to speed up the roll out of fiber home passes, shorten time for go-to-market strategy beyond larger towns and accelerate revenue growth. We have increased the number of cities in which we provide such services from 23 cities, as of March 31, 2021 to 90 cities, as of December 31, 2023.

Deliver Brilliant Customer Experience through an Omnichannel Approach and Extensive Use of Data Science

We are focussed on delivering a brilliant customer experience by transforming our services through innovative technology and digital tools, creating a seamless and delightful user experience. Our holistic approach focuses on every step of the customer journey, emphasising simplicity and efficiency across the search-discover-purchase-onboard-experience flywheel. To enhance customer experience, we now focus on 'interactions' to gauge quality of experience for customers as we believe that any interaction, whether on social media, on the web, on our application, in the call centre, on email or in our store, is a signal of customer grievance. We have focussed on structural resolve across the customer journeys and are making fundamental changes around it - at an architecture level, end-to-end simplification and digitization of processes for more proactive solutions as well as transparent communication with our customers.

We have adopted a platform focussed approach with four key platforms: Buy – the ability to buy any product on any channel with a consistent experience; Bill – a simple, converged bill across Airtel services; Pay - for any service on any channel in an intuitive manner; and Serve - raise a complaint and get resolution for any product on any channel. Each of these platforms is exposed in an omni-channel manner across our channels, and is powered by an underlying foundational data layer. By adopting an omnichannel strategy, we enable customers to engage with us anytime, anywhere, seamlessly transitioning between channels. These platforms help improve customer experience and we have witnessed a decrease in the number of interactions. Our retail outlets and small format stores also help our customers interact with us.

Airtel's in-house network and digital engineering team has developed artificial intelligence and machine learning ("**AI/ML**") driven digital platforms. These platforms are a comprehensive set of technologies that provide enhanced touchpoints for customer interactions, improve network performance and provide efficient customer experience. Airtel has also developed tools and platforms including the 'Airtel Thanks' app, 'Airtel Self Optimization Network' ("**A-SON**") and 'VISION'. A-SON helps predict degradation and proactively makes changes in the network to enhance customer experience, while VISION provides unified customer analytics and improves service resilience and availability.

Further, we have worked on elevating our network experience by identifying certain high priority geographic catchments to improve our mobile network experience and expanded our network coverage and capacity by adding more network sites. For broadband services, we undertook fundamental network design changes for long term resolve. We continuously invest in our network infrastructure to ensure a superior customer experience.

We are deploying Massive Multiple-Input Multiple-Output ("**MIMO**") technology-based solutions for building the 5G network. This solution provides enhanced 5G coverage due to advance beamforming technique. We are also deploying lean site solutions to further strengthen the coverage and capacity at high footfall hotspots to continuously improve the end user experience.

Improve Our Cost Efficiencies

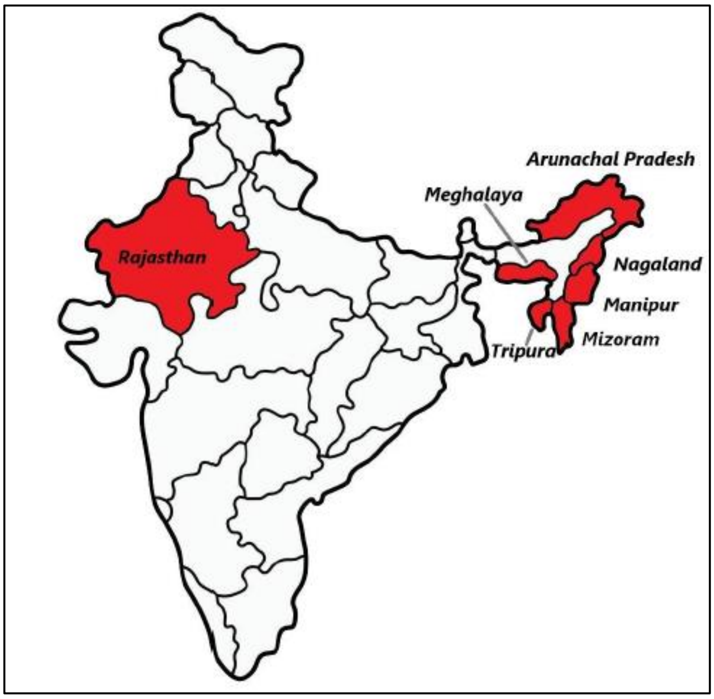
We are undertaking prudent cost optimisation measures to improve profitability. Our war-on-waste program has been leading to eliminate wasteful expenditure through use of digital tools, making our networks more environment friendly and revisiting our cost structures on a regular basis. We use digital tools and data science to plan our network expansion in an optimal manner. We seek to achieve our cost efficiency objectives without compromising on quality of our services, our network, and our people. Our cost efficiency initiatives are reflected in our approach to managing our operating expenses as well as prudent capital allocation in our network expansion strategy. Over the years, we have been making our network greener with solar access on network sites and climate proofing of our infrastructure to reduce outages during natural calamities. To mitigate the effect of atmospheric ducting, Airtel built a data-driven, AI-enabled predictive model that takes inputs from various satellite sources and internal network data to predict the impact of ducting, proposes bulk actions to be performed and bring the network in the steady optimum state once the ducting ceased. Multiple actions involving tilt changes, load balancing, real-time cell locking and unlocking are performed to mitigate the impact.

One of our key focus areas is prudent capital allocation and improving return on capital employed, which is reflected in our capital expenditure on both, spectrum and non-spectrum spends. Our 5G Plus services are deployed on the recently acquired 3500 Mhz band in non-standalone mode with dual connectivity. The non-standalone network utilises dual connectivity of 5G and 4G spectrum to extend the 5G coverage for a given service level without the need of dedicating sub-GHz spectrum in 5G, thereby providing higher coverage at lower cost. Non-standalone network deployment has lower capital expenditure requirements, low cost of ownership, reduced environmental impact due to lower overall power consumption on account of fewer 5G radios and has been the widely chosen network architecture with approximately 85% of telecom operators worldwide initiating 5G deployment based on such architecture. *(Source: CRISIL Report)*

We aim to maintain an efficient capital structure with high balance sheet flexibility. We seek to continue to manage our borrowing costs with a focus on cost effective financing structures, including our repayment tenors and the balance between fixed and floating rate instruments. We are adequately capitalized and endeavour to repay our borrowings primarily through internal accruals. We believe that we have been able to access cost-effective debt financing due to our stable credit history, improving credit ratings and conservative risk management policies. For details of our ratings, see "*-Business Operations – Credit Ratings*".

BUSINESS OPERATIONS

We offer our services under the brand 'Airtel' in Rajasthan and in the North East circles in India, which comprises the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. Set forth below is a map indicating our area of operations:



(Map not to scale)

Services

We provide consumer mobile services, fixed-line telephone and broadband services to customers.

Mobile telephone services: We offer pre-paid and post-paid wireless voice services and data communication services (including 2G, 4G and 5G offerings), international roaming of voice and data services.

Fixed line and broadband services: We offer fixed-line telephone and broadband services to households, including through our partnership with local cable operators. Our product portfolio comprises high-speed broadband with speeds of up to 1 Gbps offered as *Airtel Xstream Fibre*, ensuring both fast and reliable internet connectivity along with voice services. These services include broadband internet and local, national and international long-distance telephone services provided through wire-line connectivity to customers. The end-user equipment is connected through Fiber to the Home ("**FTTH**") from main network equipment (i.e., MSAN/OLT) to the customer's premises and fixed telephone lines and broadband (via FTTH) services are provided to homes.

Our Truly Unlimited plans offer unlimited data and voice calls within India to our customers across price ranges to grow the homes services business beyond key towns and have focused on investing in our partnerships with local cable operators in such regions.

'Airtel Black', which is an all-in-one solution for households that combines mobility, broadband, fixed line and digital TV services under one umbrella, is provided by us along with Airtel and its affiliates. This enhances convenience for our customers as they can bundle two or more of our services together and get one single bill, one customer care number, dedicated relationship team and priority resolution for any service request or grievance.

The following table sets forth certain operational metrics of our service offerings for the periods indicated:

Particulars	Unit	As of and for the nine months ended December 31,		As of and for the year ended March 31,		
		2023	2022	2023	2022	2021
Mobile Services						
Customer base[1]	000's	26,782	25,479	25,827	24,767	24,979
Net additions	000's	955	712	1,060	(212)	2,159
Post-paid base	000's	827	680	706	673	668
Monthly churn	%	2.5%	2.8%	2.7%	2.7%	1.8%
ARPU[2]	₹	197	184	185	155	135

Particulars	Unit	As of and for the nine months ended December 31,		As of and for the year ended March 31,		
		2023	2022	2023	2022	2021
ARPU[2]	US$	2.4	2.3	2.3	2.1	1.8
Revenue per tower per month	₹	222,958	232,878	232,448	214,169	197,751
Voice						
Minutes on the network	million	260,674	237,484	321,744	297,114	259,566
Voice usage per customer per month	minutes	1,099	1,055	1,065	1,002	927
Data						
Data customer base	000’s	19,144	16,620	17,333	15,382	13,888
4G/5G data customers	000’s	18,839	16,288	17,006	15,027	13,348
As % of customer base	%	71.5%	65.2%	67.1%	62.1%	55.6%
Total GBs on the network	million GB	3,719	3,114	4,252	3,498	2,455
Data usage per customer per month	GB	23.1	21.6	21.8	20.0	16.8
Network and Coverage						
Mobile Services						
Census towns	number	486	486	486	486	486
Non-census towns and villages	number	66,632	65,143	65,347	63,954	63,368
Population coverage	%	96.0%	95.5%	95.5%	95.0%	94.2%
Network towers	number	24,874	20,753	21,672	18,786	17,188
Total mobile broadband base stations	number	77,735	67,824	70,057	61,181	56,510
Homes Services						
Cities covered	number	90	82	87	54	23
Homes customers	000’s	289	198	219	131	70
Net additions	000’s	70	67	88	61	32
ARPU	₹	544	610	598	683	774
ARPU	US$	6.6	7.6	7.4	9.2	10.4

[1]Our Company use stringent definition of customer base in terms of REC and accordingly such numbers are different from TRAI published Telecom Subscription Data.

[2]ARPU is a factor of revenue earned from customers divided by REC base. For internal ARPU computation purposes, we use stringent definition of customer base in terms of REC which means customers who have performed any activity i.e. call/SMS/data usage, in the last 30 days. In contrast, in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).

Engineering and Information Technology Platforms

We are a highly digitally oriented organization with deep emphasis on using technology to provide a brilliant customer experience and deep insights for our business. A large part of the technology that we leverage is through Airtel’s in-house developed digital initiatives and technology platforms. We have deployed artificial intelligence, machine learning technologies and automation tools which ensure proactive and preventive decisions using big-data driven insights and help reduce the number of interactions by reducing overall service disruption time with faster identification and rectification of issues, prevent service degradation and faster resolution of issues. For instance, A-SON helps predict degradation and proactively makes changes in the network to enhance customer experience, while VISION provides unified customer analytics and improves service resilience and availability.

Network Infrastructure

We rely on a robust network infrastructure with a mix of owned and leased assets. We utilized 24,874 network towers, of which we owned 5,092 towers and leased the remaining 19,782 towers, as of December 31, 2023. As of the same date, Airtel had 307,663 network towers, which our customers are able to use within both, our circles as well as all other circles in India. Towers comprise the non-active components of a wireless telecommunications infrastructure network, including the tower structure, shelters, industrial air conditioners, diesel generators, batteries, switch mode power supplies and voltage stabilizers.

Over the years, we successfully re-farmed 2100Mhz spectrum and deployed it for 4G to enhance network capacity and improve user experience. We are rolling out 5G Plus services by deploying non-standalone network architecture, fiberizing our network and building device and partner ecosystems.

Airtel continues to step up backhaul readiness and capacities on sites with increased fiberisation and capacity expansion of our transmission backbone and internet to cater to additional data load.

Network Partners

Our network partners include active network partners, passive infrastructure services partners and IT partners. The active network partners supply, implement, integrate and deploy our mobile network. The passive infrastructure services partners provide and maintain passive infrastructure at sites such as towers, shelters and other equipment needed to provide energy to our mobile equipment. IT partners provide services related to our customer -facing and internal IT requirements.

Active Network Partners

The key agreements with the active network partners include equipment supply contracts and service contracts. The equipment supply contracts cover the supply of hardware, software and other electronic equipment required to set up and expand our mobile network. The service contracts provide for the services in relation to deployment of the equipment deployed under the equipment supply contracts. We have minimized our dependence on any single network partner to provide critical network services and we work with several entities including Ericsson India Private Limited, Nokia Solutions and Networks India Private Limited and Ceragon Networks Ltd. We continually re-evaluate the cost and performance of each active network partner and form new partnerships as necessary.

Passive Infrastructure Partners

Passive infrastructure includes the passive infrastructure located at each such site, including but not limited to the tower, shelter room to house the equipment, diesel generator sets, air conditioners and electrical power and civil works.

Passive infrastructure services for our mobile network are provided by several tower companies including Indus Towers. We enter into master infrastructure service agreements with them for provision of passive infrastructure services. These master infrastructure service agreements are long term and are reviewed periodically. Infrastructure services at individual sites are typically for a minimum period of five years. For use of infrastructure services at the site, we pay infrastructure charges.

We continuously evaluate measures to reduce the operating cost of our networks through optimization of lease expense of network assets, negotiating appropriate operational and maintenance contracts, tower sharing and control of tower and cell site running expenses.

Tariffs

The telecommunication industry in India is highly competitive and tariffs are determined by competitive forces. The TRAI currently has a tariff forbearance policy, except for roaming tariffs where a ceiling is provided by the authority. We structure our tariffs so that customers can choose their preferred package based on their requirements. We periodically revise our tariff plans to take advantage of new opportunities keeping in mind our competitors' existing tariffs, product offerings and customer needs. We strive to keep our tariff plans affordable, transparent and easy to understand. The aim of our tariff strategy is to ensure that we acquire and retain customers profitably and optimize network utilization.

Roaming Services

Roaming enables customers to make and receive voice calls, send and receive data or messages or access other services when travelling outside their circles or home network. We offer national and international roaming services to both our pre-paid and post-paid customers. We have bilateral agreements through Airtel for the provision of such services with national and international roaming partners for voice, SMS and data transmissions. We offer an international roaming package 'World Pass', which is a single roaming pack for travel across 184 countries providing cost effectiveness and flexibility for customers.

Licenses and Regulations

The operation of telecommunications networks and the provision of related services are regulated to varying degrees by national, state, regional or local governmental and/or regulatory authorities. Our telecommunication licenses specify the services we can offer. These licenses are subject to review, interpretation, modification or termination by the relevant authorities and are generally renewable upon expiration. For further information, see "*Risk Factors – 27. In the regulated telecommunications market, our licenses and spectrum allocations are subject to terms and conditions, ongoing review and varying interpretations, each of which may result in modification, suspension, early termination, expiry on completion of the term or additional payments, which could adversely affect our business, financial condition and results of operations*" on page 52.

We hold telecommunication licenses and spectrum in our two circles. We hold the following quantum of access spectrum as of December 31, 2023 and these are used in compliance with the terms and conditions of the respective Notice Inviting Application for spectrum auctions:

Spectrum	Quantum	Validity
North East Circle		
900 MHz (Paired)	14	8.8 MHz – December 11, 2035 1.2 MHz - April 15, 2041 4 MHz – August 16, 2042
1800 MHz (Paired)	10	7 MHz – September 7, 2034 1.6 MHz – December 11, 2035 1.4 MHz – November 9, 2036
2100 MHz (Paired)	10	5 MHz – August 31, 2030 5 MHz – April 15, 2041
2300 MHz (Unpaired)	40	20 MHz – September 28, 2030 10 MHz – November 9, 2036 10 MHz – April 15, 2041
3300 MHz (Unpaired)	100	100 MHz – August 16, 2042
26 GHz (Unpaired)	800	800 MHz – August 16, 2042
Rajasthan Circle		
900 MHz (Paired)	6	5 MHz – April 21, 2036 1 MHz – December 11, 2035
1800 MHz (Paired)	10	8.2 MHz - September 7, 2034 1.8 MHz – September 29, 2037
2100 MHz (Paired)	15	10 MHz – August 31, 2030 5 MHz – November 9, 2036
2300 MHz (Unpaired)	40	20 MHz – November 18, 2030 20 MHz – April 15, 2041
3500 MHz (Unpaired)	100	100 MHz – August 16, 2042
26 GHz (Unpaired)	800	800 MHz – August 16, 2042

Amount of spectrum in mentioned in MHz and GHz.

None of our existing spectrum expires before the year 2030, the validity of our spectrum pool ranges between the years 2030 and 2042.

Data Privacy and Cybersecurity

Our information privacy policy is in alignment with applicable laws. Our privacy policy provides management direction and support to ensure the privacy of personal information collected by us in order to allow collection, creation, processing, storage, retention, dissemination, discourse and destruction of the personal information in accordance with appropriate laws, regulations and contractual obligations.

We follow a data leakage protection strategy to protect information at its most vulnerable points, i.e. at the endpoint, at the web layer, and at the email layer. All our endpoints are equipped with specialized software which helps monitor various channels for potential data leakage. Upon a potential violation being detected, an alert is generated, and the incident is investigated. Similar solutions are deployed on the email gateway and web gateway, to monitor emails and internet-bound traffic respectively. A centralized monitoring team reviews the alerts and raises an incident for investigation and resulting action. All incidents are tracked to closure in a time-bound manner. Additionally, a monthly review of all incidents and their closure is conducted, to enable us to regularly refine the existing policies. We continuously evaluate the data protection landscape for new and innovative technologies to further enhance our data security.

Risk Management

We have a risk management framework that is reviewed periodically by our Board and our Audit Committee, which includes discussing the risk areas, prioritizing key risks and approving action plans to mitigate such risks.

We have a duly approved Risk Management Policy. The objective of this policy is to identify, evaluate, monitor and minimize the identifiable risks. The policy lays down broad guidelines for identification, analysis and ranking of the risks affecting us. The policy suggests framing an appropriate response action for identified risks and to ensure that such risks are adequately mitigated.

In addition, we have adopted a whistleblower policy which forms part of our code of conduct. The policy outlines the method for stakeholders to voice their concerns about actual or potential violation of the legal and regulatory requirements, incorrect usage or misrepresentation of any financial statements and reports, any claim of theft or fraud, and any claim of retaliation for providing information without fear of punishment or unfair treatment.

Billing and Collections

We use various software packages for our billing, recording minutes and data used, calculating the appropriate charge and rendering a bill to the customer. We also use an interconnect billing system for the inter-operator settlement of interconnect for voice (including long distance) and SMS. Our post-paid collection department manages our billing and collection process. Post-paid customers can pay their bill in cash, by cheque, debit or credit card, other online payment mechanisms through our website, mobile applications and UPI.

Sales, Marketing and Distribution

We have an extensive sales and distribution network across the rural and urban areas of the Rajasthan and North East circles serviced by 616 distributors and 75 stores operated by us, as of December 31, 2023. Our distribution partners are digitally empowered to sell Airtel services through the 'Mitra' app. Our exclusive retail footprint comprising 89,454 retail touchpoints, as of December 31, 2023, is a key differentiator, including for supporting high value customers and products. As of December 31, 2023, we had setup 24 small format low cost stores to deepen our retail presence and to primarily drive the sale of our post-paid, homes broadband and international roaming services.

We have created 5G experience zones across a majority of our retail stores where we demonstrate the power of 5G Plus to customers. Our trained store staff demonstrate use cases and explain our offerings to customers. At our own stores, our staff focuses on selling post-paid and Airtel Black services, while our retail touchpoints focus on selling recharge packages to pre-paid customers.

Customer Care

We are focussed on delivering a brilliant customer experience by transforming our services through innovative technology and digital tools, creating a seamless and delightful user experience. To simplify the mode of communication for our customers and for quicker resolution, we introduced self-service platforms such as the 'Airtel Thanks' app, which enable us to provide online support to our customers without requiring any interaction with a representative. Customers can avail of such services on our website and mobile application.

Credit Ratings

Set forth below are our Company's credit ratings as of the corresponding dates:

Instrument	Rating			
	As of the date of this Red Herring Prospectus	As of March 31,		
		2023	2022	2021
₹ 35,000 million commercial papers	CRISIL A1+, India Ratings A1+	CRISIL A1+, India Ratings A1+	CRISIL A1+, India Ratings A1+	CRISIL A1+, India Ratings A1+
₹ 20,000 million non-convertible debentures	CRISIL AA+/ Stable	CRISIL AA+/Stable	CRISIL AA+/Stable	-
₹ 15,000 million non-convertible debentures	-	CRISIL AA+/Stable	CRISIL AA+/Stable	CRISIL AA/Stable

Competition

The telecommunication industry in India has gone through a stage of consolidation. In Fiscal 2014, there were 14 players that had cellular mobile service licenses from the Department of Telecommunication. In 2016, there was a price war in the industry that forced certain entities to exit or consolidate with larger players. As of December 31, 2023, there were only five service providers, of which two are public sector units – Bharat Sanchar Nigam

Limited and Mahanagar Telephone Nigam Limited. The top three players – Airtel, Reliance Jio Infocomm Limited and Vodafone Idea Limited hold approximately 92% customer share in the Indian wireless telecom market as of December 31, 2023. *(Source: CRISIL Report)*

Intellectual Property

Our Promoter has 432 trademarks, which are also used by our Company, out of which 404 are registered and 28 are pending registration at various stages. However, our Company does not own any of these trademarks. We have entered into a trademark license agreement dated January 16, 2024 with our Promoter, pursuant to which we have been granted a non-exclusive, revocable, conditional license for use of 404 registered trademarks including the 'Airtel' brand, which is material to our operations. Further, we do not own the 'Bharti' trademark, which is registered under various classes of the Trademark Act, 1999, in favour of Bharti Enterprises (Holding) Private Limited, and has issued to our Company for usage of the "Bharti" brand, trademark and logo for usage in our business and operations (including in the past and in the future) and for the purposes of the Offer. For further information, see '*Government and other Approvals*' on page 403 *and 'Risk Factors – 32. We may be unable to adequately protect intellectual property that we use and may be subject to risks of infringement claims'* on page 54.

Insurance

Our operations are subject to various risks inherent in the telecommunications industry including fire, theft, earthquake, flood, acts of terrorism and other force majeure events. We have insurance for fixed assets that covers all operational risks and losses arising out of any material damage. We are also insured against third party liabilities for amounts as felt appropriate by us. We also take coverage for goods in transit. However, our insurance policies may not be able to cover all of our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See "*Risk Factors – 43. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, financial condition and results of operations.*" on page 58.

Environment and Sustainability

We are committed toward reducing our carbon footprint and conserving energy at our sites. In order to focus on energy conservation and reduce our diesel footprint, we have implemented the following initiatives, among others, in Fiscal 2023:

Rajasthan Circle – We have installed solar power solutions at 44 diesel generator-based sites. We have deployed power saving feature to reduce energy consumption during non-peak hours at 1,228 sites.

North East Circle - We have installed solar power solutions at 63 diesel generator-based sites. We have deployed power saving feature to reduce energy consumption during non-peak hours at 1,147 sites.

Corporate Social Responsibility

We seek to integrate our business values with our operations so we may undertake our business activities in a unified and structured manner. We have adopted a corporate social responsibility policy, which is focused on promoting education for underprivileged sections of the society, eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water, as well as contributing funds to technology incubators located within academic institutions which are approved by the GoI.

Human Resources

As of December 31, 2023, we had 422 full-time employees. We seek to have best-in-class talent in our company and we aim to create long-term value for our people while keeping diversity, inclusivity and employee wellbeing at the core. Our human capital development pathway focuses on building meaningful careers, developing impactful leadership capabilities and delivering a superior employee experience. Our key focus areas have been on providing the right career paths, outlining the right set of leadership behaviors, invest on building our leadership pipeline and creating a truly inclusive workplace.

Our resources are fungible with Airtel and we have a common talent pool. We leverage Airtel's best HR practices for hiring and retention of talent. Our hiring practice includes technical interviews and managerial interview rounds. We conduct thorough background verifications of candidates through third party vendors to verify details regarding previous employment, education, and identity checks. We have implemented an impactful learning and development approach that enhances on-the-job performance and builds a capability network for current and future skills.

Our holistic view towards employee well-being continues to be the topmost priority. Our actions and interventions are aimed at promoting positivity, wellness and good health among our employees and their families. We believe that overall well-being, as the core element of human resource strategy, adds to the productivity, impactful innovations and success of the organization, while also ensuring happier and fulfilling lives for employees.

Property

Our Registered Office and Corporate Office is located at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase-II, New Delhi, 110070, India. As of December 31, 2023, we had 12 offices and 75 retail stores in the Rajasthan and North East circles that we occupy through leave and license or lease arrangements. For details, see *'Risk Factors – 39. We do not own our retail outlets or small format stores. We also do not own the property on which our Registered Office and Corporate Office is situated. Any termination or failure by us to renew the lease and license agreements in connection with these properties, could adversely affect our business and results of operations. Moreover, many of the lease and license agreements entered into by us may not be duly registered or adequately stamped'* on page 56.

KEY REGULATIONS AND POLICIES

The following is an overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company. The information of laws and regulations available in this section has been obtained from publications available in public domain and is based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. The description of laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. For information regarding regulatory approvals required by our Company under applicable laws and regulations, see "Government and Other Approvals" on page 403.

Key Legislations Applicable to Our Business

The Telecommunications Act, 2023 ("Telecom Act")

On December 24, 2023, the Telecom Act received Presidential assent. The Telecom Act amends and consolidates laws relating to development, expansion and operation of telecommunication services and telecommunication networks and assignment of spectrum. In terms of the Telecom Act, any person intending to provide telecommunication services; to establish operate, maintain or expand telecommunication network; or possess radio equipment; is required to obtain an authorisation from the Government of India subject to terms and conditions and fees and charges as prescribed thereunder. Further, the Telecom Act provides for a continued validity of a license, registration, permission by whatever name called for the duration as specified under such license, registration or permission where the definite validity is given or for a period of five years from the appointed day where a definite validity period is not given, granted prior to the appointed day under the Indian Telegraph Act, 1885 or the Indian Wireless Telegraphy Act, 1933, in respect of provision of telecommunication services or network, subject to the conditions specified therein. The Telecom Act also provides that the Government of India, being the owner of the spectrum on behalf of the people, shall assign the spectrum in accordance with the Telecom Act, and may notify National Frequency Allocation Plan from time to time. In terms of the Telecom Act, any facility provider may submit an application to a public entity under whose control, ownership or management, the public property is vested, to seek permissions for right of way for telecommunication network under, over, along, across, in or upon such public property.

The Government of India has also been empowered to notify standards and conformity assessment measures in respect of, amongst other things, telecommunication equipment, identifiers, network, services and security. The universal service obligation fund created under the Indian Telegraph Act, 1885 shall, from the appointed day, be the "Digital *Bharat Nidhi*" under the control of the Government of India and has been empowered to discharge functions in terms of the Telecom Act. The Government of India, for the purposes of encouraging and facilitating technological development in telecommunication, may create regulatory sandboxes in terms of the Telecom Act. Further, in terms of the Telecom Act, the Government of India may provide measures for protection of users in consonance with regulations notified by TRAI, including measures such as prior consent of users for receiving specified messages; preparation and maintenance of registers such as 'Do Not Disturb' registers; and the mechanism to enable users to report malware or specified messages in contravention of the Telecom Act. The Telecom Act also prescribes certain penalties for offences such as attempt to gain unauthorised access to a telecommunication network or possession of any equipment that blocks telecommunication without an authorization; and also empowers the Government of India to establish online dispute resolution mechanisms for resolution of disputes between users and authorized entities providing telecommunication services.

The Telecom Act will come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the Telecom Act. Subject to provisions of the Telecom Act, the enforcement of the Telecom Act shall repeal the Indian Telegraph Act, 1885, Indian Wireless Telegraphy Act, 1933, and the Telegraph Wires (Unlawful Possession) Act, 1950, and amend the provisions of the Telecom Regulatory Authority of India Act, 1997. Part III of the Indian Telegraph Act, 1885 shall continue to apply to laying of transmission lines under the section 164 of the Electricity Act, 2003.

Indian Telegraph Act, 1885 ("Indian Telegraph Act")

The Indian Telegraph Act is the principal legislation regulating telegraphs, which include any appliance, instrument, material or apparatus used or capable of use for transmission or reception of signs, signals, writing, images and sounds or intelligence of any nature by wire, visual or other electro-magnetic emissions, radio waves or hertzian waves, galvanic, electric or magnetic means. The Indian Telegraph Act, 1885 vests an exclusive privilege with respect to telegraph with the Government of India. It empowers the Government the power to issue licence to private operators for offering telegraph services. Further, by way of amendments made in 2003, the Indian Telegraph Act deals with setting up of the Universal Service Obligation Fund for the purpose of meeting universal service obligations. The Indian Telegraph Act lays down the procedures and guidelines to be followed; for installing and maintaining communication equipment and sets the guidelines for setting up of communication devices in private property. The Indian Telegraph Act lays down the offences and penalties with respect to unauthorized use of communication or telegraph services, and also provides for the procedure for resolution of any dispute which may arise between the service provider and the owner of such private property. Subject to provisions of the Telecom Act, the enforcement of the Telecom Act shall repeal the Indian Telegraph Act, 1885.

The Indian Wireless Telegraphy Act, 1933 ("Wireless Telegraphy Act")

The main objective of the Indian Wireless Telegraphy Act, 1933 is to regulate the possession of wireless telegraphy apparatus. The Wireless Telegraphy Act was enacted to establish a licensing framework for the use of wireless apparatus. The Wireless Telegraphy Act provides that the telegraph authority constituted under the Indian Telegraph Act shall be the competent authority to issue licences under this Act. Under the Wireless Telegraphy Act, no person is permitted to possess a wireless telegraphy apparatus without obtaining a license. It also provides for imposition of penalties in case of possession of any wireless technology apparatus, other than a wireless transmitter, without license. Subject to provisions of the Telecom Act, the enforcement of the Telecom Act shall repeal the Indian Wireless Telegraphy Act, 1933.

Indian Telegraph Right of Way Rules, 2016 ("ROW Rules")

The ROW Rules, notified by the Central Government on November 15, 2016, under the Indian Telegraph Act, 1885 regulate the procedure for the establishment and maintenance of underground and over ground telegraph infrastructure by any licensee. Under the ROW Rules, an application is made to the appropriate authority for establishing over ground telegraph infrastructure on immoveable property vested, in or under the control or management of such appropriate authority, along with the underlying documents, approvals and certificates specified under the ROW Rules and by the appropriate authority. Further, permits and approvals for the tower sites are also governed by the State specific policies and local laws, including any municipal laws or building laws, formulated by such States. The ROW Rules may be subject to the provisions of the Telecom Act, the enforcement thereof and any new rules promulgated thereunder.

The Telecom Regulatory Authority of India Act, 1997 ("TRAI Act")

The Telecom Regulatory Authority of India ("**TRAI**") is an independent regulatory authority for the telecommunications sector, which was established by the TRAI Act, in 1997, to regulate telecom services, including fixation/revision of tariffs for telecom services which were earlier vested in the Government of India. The TRAI Act provides for the constitution of TRAI and specifies its functions, including making recommendations on matters such as technological improvements in services provided by service providers and efficient management of available spectrum, ensuring compliance of terms and conditions of licences, laying down standards of quality of service and ensuring effective compliance of universal service obligations. With the amendments made in 2000 to the TRAI Act, TRAI's erstwhile adjudicatory functions were moved to the Telecom Disputes Settlement and Appellate Tribunal ("**TDSAT**"). The TRAI Act was amended to state that both TRAI and TDSAT will regulate telecommunication services, adjudicate disputes, dispose of appeals, and protect the interests of service providers and consumers of the telecom sector, with the aim of promoting and ensuring its orderly growth. TRAI is empowered under the TRAI Act to (i) notify the rates at which telecommunication services in India and outside India shall be provided under the TRAI Act, in the official gazette, including the rates at which messages shall be transmitted to countries outside India; (ii) lay-down the standard of quality of service to be provided by the service providers; (iii) ensure technical compatibility and effective inter-connection between different service providers, etc. For effective discharge of its functions, the TRAI is empowered to call upon any service provider at any time to furnish in writing such information or explanation as is required or to conduct an investigation into the affairs of any service provider or issue directions in respect thereof.

DoT's guidelines for transfer/merger of various categories of telecommunication service licenses/ authorization under Unified License on compromises, arrangements and amalgamation of the companies,

dated February 20, 2014 ("Transfer/Merger Guidelines")

Taking into consideration the recommendations of TRAI and the National Telecom Policy, 2012, DoT issued the Transfer/Merger Guidelines, in supersession of its guidelines dated April 22, 2008, for transfer/merger of various categories of telecom services licenses/authorization under Unified License ("**UL**"). DoT shall be notified for any proposal for compromise, arrangements and amalgamation of companies as filed before the National Company Law Tribunal ("**NCLT**") or the Company Judge. Representation/objection, if any, by DoT on such scheme has to be made and informed to all concerned within 30 days of receipt of such notice. After the scheme is sanctioned by the Tribunal/ Company Judge, the licensor will provide its written approval within 30 days of receipt of request for approval to the transfer/merger of licenses/authorizations under the UL. The merger of ISP license/authorization with access service license/authorization shall also be permitted. The date of validity of various licenses/authorization will be equal to the higher of the two periods on the date of merger subject to pro-rata payments, if any, for the extended period. However, the validity period of the spectrum shall remain unchanged. SUC will be payable on the total spectrum holding of the resultant entity. If, as a result of merger, the total spectrum held by the relevant entity is beyond the limits prescribed, the excess spectrum must be surrendered or traded within one year of the permission being granted. The Transfer/Merger Guidelines may be subject to the provisions of the Telecom Act, the enforcement thereof and any new guidelines promulgated thereunder.

DoT's guidelines for trading of access spectrum by access service providers, dated October 12, 2015 ("Access Spectrum Trading Guidelines")

After considering the recommendations of TRAI on spectrum trading, DoT issued the Access Spectrum Trading Guidelines to allow trading of access spectrum. Spectrum trading shall be allowed only between two access service providers, holding Cellular Mobile Telephone Service ("**CMTS**") License, Unified Access Service License ("**UASL**"), UL (Access Services) and UL with authorization of Access Service in an LSA. All access spectrum bands earmarked for Access Services by DoT will be treated as tradable spectrum bands. Spectrum trading will not alter the original validity period of spectrum assignment as applicable to the traded block of spectrum. Only that spectrum is permissible to be traded which has either been assigned through an auction in the year 2010 or afterwards, or on which the TSP has already paid the prescribed market price as per the guidelines. Both the licensees trading the spectrum shall jointly give a prior intimation for trading the right to use the spectrum at least 45 days before the proposed effective date of the trading, as per prescribed format, to DoT. The Government shall, at its discretion, be entitled to recover the amount, if any, found recoverable subsequent to the effective date of the trade, which was not known to the parties at the time of the effective date of trade, from the buyer or seller, jointly or severally. A TSP will be allowed to sell the spectrum through trading only after two years from the date of its acquisition through auction of spectrum trading or administratively assigned spectrum converted to tradable spectrum. If buyer is acquiring the entire spectrum holding of the seller in a spectrum band, then it shall fulfil the associated roll-out obligations within the balance time period for compliance, subject to a minimum period of two years. If the buyer is acquiring a part of the spectrum holding of the seller in a spectrum band, then both buyer and seller will be responsible for the entirety of roll-out obligations separately. Existing rates as prescribed by the Government from time to time for spectrum usage charge ("**SUC**") shall continue to apply on spectrum held by the buyer and seller. The spectrum held by buyer shall include the spectrum acquired through trading. Spectrum acquired through spectrum trading shall be treated akin to spectrum acquired through auction. The Access Spectrum Trading Guidelines may be subject to the provisions of the Telecom Act, the enforcement thereof and any new guidelines promulgated thereunder.

DoT's guidelines dated October 16, 2015 regarding allotment of MWA/MWB carriers to TSPs with Access Service authorization/license ("MWA/MWB Allotment Guidelines") and addendum dated July 25, 2022 thereto ("Addendum")

Considering the immediate requirement of Microwave Access ("**MWA**") and Microwave Backbone ("**MWB**") spectrum of telecom service providers ("**TSPs**"), DoT issued the MWA/MWB Allotment Guidelines for allotment of carriers in MWA/MWB spectrum for the interim period provisionally, pending decision in the matter by the Government. The guidelines provided for allotment of maximum of four MWA carriers for Metro and Category A Service Area and three MWA carriers for Category B and Category C Service Areas, subject to availability. MWB carrier allotment will be considered on link to link basis, subject to availability. In view of the increased requirements of backhaul on account of 5G, DoT issued the Addendum to increase the limit of maximum number of MWA carriers that can be assigned to a TSP with Access Service authorization/license, from four carriers (in Metro and Category A Service Area) and three carriers (in Category B and Category C Service Areas) to eight and six carriers respectively. For the interim period, the charging of MWA and MWB carriers will be done as per rates mentioned in order no. J-14025/200(11)/06-NT dated November 3, 2006, as amended vide orders dated

November 10, 2008 and February 19, 2009. All MWA/MWB carrier/spectrum allotted, as an interim measure, will be purely on temporary and provisional basis and all such allottees will have to participate in the allotment methodology as decided by the government after considering the recommendations of TRAI in the subject. In the event of decision of the government to allot MWA carrier/spectrum by auction or by a methodology other than auction, the carriers allocated as an interim measure, will stand reverted back to the government after a period of three months, in case such allottees fail to participate and/or win/get back the carriers/spectrum provisionally allotted as an interim measure as per the auction/other methodology. For the spectrum/carriers allotted during the interim period, the TSPs will have to pay the charges with retrospective effect (*i.e.*, from the date of issue of letter for allotment of carriers as interim measure) as finally determined through the auction process/market related process or any other methodology decided by the government. The MWA/MWB Allotment Guidelines and the Addendum may be subject to the provisions of the Telecom Act, the enforcement thereof and any new guidelines promulgated thereunder.

DoT's guidelines for sharing of access spectrum by access service providers, dated October 11, 2021 ("Access Spectrum Sharing Guidelines")

In supersession of the guidelines dated September 24, 2015, DoT issued the Access Spectrum Sharing Guidelines for sharing of access spectrum by access service providers. Spectrum sharing shall be allowed only for the access service providers holding UASL, UL (Access Services) and UL with authorization of Access Service in an LSA, where both the licensees are having spectrum in the same band. All access spectrum including traded spectrum shall be sharable. Both the licensees sharing the spectrum shall jointly give a prior intimation for sharing the right to use the spectrum at least 45 days before the proposed effective date of the sharing. Both the licensees shall ensure that they fulfil the specified roll-out obligations and specified quality of service ("**QoS**") norms. Spectrum sharing shall not attract any increase in the SUC rate, w.e.f. October 1, 2021. For the purpose of spectrum cap limits, the spectrum holding of any licensee post sharing shall be counted after adding 50% of the spectrum held by the other licensee in the band being shared being added as the additional spectrum to the original spectrum held by the licensee in the band. The Access Spectrum Sharing Guidelines may be subject to the provisions of the Telecom Act, the enforcement thereof and any new guidelines promulgated thereunder.

DoT's guidelines for surrender of access spectrum by access service providers, dated June 15, 2022 ("Access Spectrum Surrender Guidelines")

After considering the recommendations of TRAI, DoT issued the Access Spectrum Surrender Guidelines, to allow surrender of spectrum acquired by TSPs in auctions conducted after the issue of the guidelines. TSPs would be permitted to surrender such spectrum after a minimum period of ten years from the date of its acquisition. A TSP would be required to submit an online application at least 12 months prior to the proposed date of surrender. In-principle approval along with details of outstanding spectrum dues, *i.e*., dues relating to acquisition of right to use spectrum, till the proposed date of surrender, if any, in respect of proposed quantity of spectrum being surrendered, or otherwise would be conveyed by DoT within a period of sixty days from the date of application. Other payments/dues of the TSP would not be linked to surrender of the spectrum under consideration. The TSP shall clear the dues so communicated within a period of three months from date of demand. Upon clearance of dues, the final approval to the surrender of spectrum, effective from proposed date of surrender, would be communicated within 15 days. The surrendered spectrum would be put to auction at the first opportunity after the final approval to surrender of spectrum is issued. In case a TSP surrenders partial or complete spectrum in a LSA-band combination, it will be barred to take part in the auction of spectrum in that LSA-band combination for a period of two years from date of surrender of spectrum. In case a TSP has acquired some spectrum in a LSA-band combination, a lock-in period of two years will be applicable, before surrendering the qualifying spectrum in that LSA-band combination acquired earlier. The Access Spectrum Surrender Guidelines may be subject to the provisions of the Telecom Act, the enforcement thereof and any new guidelines promulgated thereunder.

DoT's guidelines for Allotment of E-band carriers to telecom service providers with Access Service authorization/license and having Access Spectrum in IMT bands, dated July 25, 2022 ("E-band Allotment Guidelines")

In view of the increased backhaul capacity requirements of telecom service providers ("**TSPs**") with Access Service authorization/license and having Access Spectrum in the international mobile telecommunications ("**IMT**") bands, especially on account of 5G, the DoT issued the E-band Allotment Guidelines for allotment of carriers in E-band spectrum for the purposes of backhaul on interim basis. The E-band Allotment Guidelines provide for an allotment of maximum of two carriers of 250 MHz each (paired) bandwidth in E-band (71-76/81-86 GHz) to TSPs, upon their application, for their backhaul purpose, in the LSAs where they are holding Access

Spectrum in IMT bands. For each E-band carrier of 250 MHz paired bandwidth, spectrum charges will be charged @ 0.15% of adjusted gross revenue of the TSPs in the interim period, payable in four quarterly instalments during each financial year. Any delay in payment of spectrum charges, payable, or any other dues payable under the license beyond the stipulated period will attract interest at a rate which will be 2% above the one-year Marginal Cost of Lending Rate ("**MCLR**") of the State Bank of India existing as on the beginning of the financial year in respect of the spectrum charges pertaining to the said financial year, compounded annually. The spectrum charges will be adjusted/recalculated retrospectively (from date of provisional assignment) based upon the pricing decided finally. All E-band carriers assigned, as an interim measure, will be purely on temporary and provisional basis and all such assignees will have to participate in the auction and/or any other assignment methodology, as decided by the Government after considering the recommendations of the TRAI in this regard. The E-band carriers, assigned as an interim measure, will stand reverted back to the Government, after a period of three months from the date of finalization of results of aforesaid activity, in case such assignees fail to get back the carriers/spectrum provisionally assigned as an interim measure. The E-band Allotment Guidelines may be subject to the provisions of the Telecom Act, the enforcement thereof and any new guidelines promulgated thereunder.

DoT's guidelines for surrender of administratively assigned spectrum to telecom services providers with Access Service authorization, dated November 10, 2022 ("Admin Spectrum Surrender Guidelines")

DoT issued the Admin Spectrum Surrender Guidelines for surrender of administratively assigned spectrum for GSM/CDMA/MWA and MWB, for TSPs with Access Service authorization. Applicant shall submit the request for surrender of administratively assigned frequency carriers (GSM/CDMA/MWA and MWB) to DoT, not before 60 days prior and not later than 30 days prior, to the proposed date of surrender, along with certified proof of payment from the office of Principal Controller of Communication Accounts/Controller of Communication Accounts of the concerned LSA regarding payment of spectrum charges/SUC up to previous quarter of date of application, and an undertaking that in case of any demand due to revision by DoT (*i.e*., finalized AGR, CAG audits, Special Audits, any outcome of pending litigation etc.) shall be paid by the Licensee as and when raised by the competent authority. Wireless Planning and Coordination Wing of DoT shall issue the necessary letter to the applicant regarding taking surrender on record within 30 calendar days from receipt of application, under intimation to the Wireless Planning and Finance Wing, to consider the date of surrender for computation of necessary spectrum charges thereafter. The surrendered carrier shall be made available for the further frequency assignments to any TSPs from the actual date of surrender as per procedure. Request, if any, of the TSP who surrender the carrier shall be treated as afresh. The Admin Spectrum Surrender Guidelines may be subject to the provisions of the Telecom Act, the enforcement thereof and any new guidelines promulgated thereunder.

The Information Technology Act, 2000 (the "IT Act") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication involving alternatives to paper-based methods of communication and storage of information (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information generated, transmitted, received or stored in any computer source in the interest of sovereignty, integrity, defence and security of India, among other things.

The IT Act recognizes contracts expressed in electronic for or by means of electronic records, protects intermediaries in respect of third party information liability, subject to certain conditions, and creates liability for failure to implement and maintain reasonable security practices in relation to handling and protecting sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems. The IT Act empowers the GoI to formulate rules with respect to reasonable security practices and procedures and sensitive personal data.

Industrial and labour laws

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

(i) The Industrial Relations Code, 2020 consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes, received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(ii) The Code on Wages, 2019 which regulates and amalgamates laws relating to wage and bonus payments, received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board.

(iii) The Occupational Safety, Health and Working Conditions Code, 2020 consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(iv) The Code on Social Security, 2020 which amends and consolidates laws relating to social security, received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the "EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Payment of Gratuity Act, 1972 (the "Gratuity Act")

The Gratuity Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Gratuity Act has become applicable shall be continued to be governed by this Gratuity Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease, which shall be relaxed in case of termination of service due to death or disablement.

Maternity Benefit Act, 1961 (the "Maternity Benefit Act")

The Maternity Benefit Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Maternity Benefit Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Maternity Benefit Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Other applicable laws

The Consolidated Foreign Direct Investment Policy of 2020 (the "Consolidated FDI Policy")

Foreign investment in India is governed by the provisions of FEMA NDI Rules along with the Consolidated FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. Under the current Consolidated FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted under the automatic route in the telecom sector. In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e*., up to 100%).

Consumer Protection Act, 2019 (the "Consumer Protection Act")

The Consumer Protection Act provides for the protection of the interests of consumers and the establishment of authorities for the timely and effective administration and the settlement of consumer disputes. It empowers the Central Government to constitute the Central Consumer Protection Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the Consumer Protection Act. Further, the Consumer Protection Act enables complainants to file complaints in respect of, *inter alia,* goods suffering defects, services suffering deficiencies, and goods or services hazardous to life and safety. Consumers are also empowered to file product liability actions, for claiming compensation for the harm caused to them by defective products or deficient services, in respect of which such product manufacturers or sellers may be held responsible.

Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules")

The Ministry of Consumer Affairs issued the E-Commerce Rules under the Consumer Protection Act, 2019 on July 23, 2020. The E-Commerce Rules provide a framework to regulate the marketing, sale and purchase of goods and services online. These rules apply to (a) good/services purchases or sold vide digital or electronic network, including digital products; (b) marketplace and inventory e-commerce entities; (c) all e-commerce retailing; and (d) forms of unfair trade practices across all e-commerce models. It specifies the duties of e-commerce entities, specific duties and liabilities of marketplace e-commerce entities and those of inventory e-commerce entities, and duties of sellers on marketplace. The E-Commerce Rules further requires the e-commerce entity to appoint grievance officer and provide for a grievance redressal mechanism. Any violation of these rules attracts penal action under the Consumer Protection Act, 2019.

The Trade Marks Act, 1999 ("Trademarks Act") and Trade Mark Rules, 2017 ("Trade Mark Rules")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also governs the statutory protection of trademarks and also prohibits any registration of deceptively similar trademarks or chemical compounds, among others. Indian law permits the registration of trademarks for both goods and services It also provides for infringement, falsifying and falsely applying for trademarks. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice. The Trade Marks (Amendment) Rules, 2013 were enacted to give effect to the Trade Mark (Amendment) Act, 2010. The Trade Marks Rules, lay down certain guidelines regarding procedure. Some of the salient features of the Trade Marks Rules include the process for determination of 'well-known' trademarks, representation of sound marks, recognition of e-mail as a mode of service, new registration fees and mandatory filing of statements of users.

Tax laws

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years

The Income-tax Act, 1961 (the "**Income Tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Goods and Service Tax Act, 2017

The Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 ("**CGST**"), relevant state's Goods and Services Act, 2017 ("**SGST**"), Union Territory Goods and Services Act, 2017 ("**UTGST**"), Integrated Goods and Services Act, 2017 ("**IGST**"), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Indian Stamp Act, 1899 and various state-wise legislations made thereunder (the "Stamp Act")

The Stamp Act requires stamp duty to be paid on all instruments specified in Schedule 1 of the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, cannot be admitted in court as evidence of the transaction contained therein. The Stamp Act further provides for impounding of instruments that are not sufficiently stamped or not stamped at all by the collector and he may impose a penalty of the amount of the proper stamp duty, or the amount of deficient portion of the stamp duty payable.

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Central Excise Act, 1944;
- Customs Act, 1962;
- State-wise legislations in relation to professional tax.

Other Indian laws

In addition to the above,

1. provisions of the Companies Act and rules framed thereunder,
2. relevant central and state tax laws,
3. foreign exchange and investment laws,
4. professional tax-related state-wise laws,
5. building and fire-safety related laws,

6. contract act and foreign trade laws, and
7. other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for our day to day business, operations and administration.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated under the Companies Act, 1956 as 'Hexacom India Limited' and was issued a certificate of incorporation on April 20, 1995 and subsequently, a certificate for commencement of business by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi on April 26, 1995. Subsequently, the name of our Company changed to 'Bharti Hexacom Limited', pursuant to a special resolution passed by our shareholders at its EGM held on September 10, 2004 and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi on December 2, 2004.

The Registered Office and Corporate Office of our Company are located at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase-II, New Delhi, 110 070, India.

Changes in our registered office

Except as disclosed below, there has been no change in the registered office of our Company since the date of its incorporation:

Effective date of change	Details of Change	Reason(s) for change
May 26, 2004*	The registered office of our Company was changed from C-138, Naraina Industrial Area, Phase-1, New Delhi 110 028, India to Qutab Ambience, H-5/12, Mehrauli Road, New Delhi 110 030, India.	Operational convenience
March 16, 2009	The registered office of our Company was changed from Qutab Ambience, H-5/12, Mehrauli Road, New Delhi 110 030, India to Aravali Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase-II, New Delhi 110 070, India.	Business convenience and administrative purposes
February 26, 2010	The registered office of our Company was changed from Aravali Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase-II, New Delhi 110 070, India to Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi 110 070, India.	Change in name of the building

* *Form 18 for change in registered office is not traceable by our Company, or with the RoC. For further details, see "Risk Factors – 49. We are unable to trace some of our historical corporate records including minutes of the Shareholders meetings and corresponding form filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 59.*

Main objects of our Company

The main objects contained in the Memorandum of Association are as mentioned below:

Clause	Particulars
III(A)	*"1. To provide telecom networks and to run and maintain telecom services including basic/fixed line services, cellular/mobile services, long distance services, Broadband services, paging, video text, voice mail and data system, private switching network services, transmission networks of all types, computer network like local area network, wide area network, Electronic Mail, Intelligent Network, Multimedia Communication Systems or the combination thereof. 2. To provide data/short messaging/intelligent network services over the Cellular Network, including construction of the required additions to Cellular Networks, operations and maintenance of the network. 3. To provide complete paging services including construction of paging network and to purchase, sell, hire, import, export, manufacture, repair and to provide service support to pagers of all kinds. 4. To carry on the business of telecommunication consulting engineers for design, installation, validation, acceptance, testing, quality assurance of Cellular Mobile Telephone Systems, paging system and data and other services relating to cellular services. 5. To buy, sell, lease and trade in cellular mobile handsets & pagers. 6. To manufacture, install, operate and maintain Mobile telephones, Hand held telephones, modules switches, Base stations including self-supporting stell structures, antenna, wave-guides power plant and air conditioning equipment relating to Cellular Mobile Telephone System and Paging system."*

The main objects, as contained in our Memorandum of Association, enable our Company to carry on the businesses presently being carried out by it.

Amendments to our Memorandum of Association in the last ten years

The following changes have been made to our Memorandum of Association in the last ten years:

Date of Shareholders' resolution	Particulars
September 18, 2018	Clause V of our Memorandum of Association was amended to reflect the increase in authorised share capital of our Company from ₹ 2,500,000,000 divided into 250,000,000 equity shares of ₹ 10 each to ₹ 2,500,052,000 divided into 250,000,000 equity shares of ₹ 10 each and 520 redeemable, non-participating, non-cumulative preference shares of ₹ 100 each.
December 29, 2023	Clause V of our Memorandum of Association was amended to reflect the subdivision of authorised share capital of our Company from ₹ 2,500,052,000 divided into 250,000,000 equity shares of ₹ 10 each and 520 redeemable, non-participating, non-cumulative preference shares of ₹ 100 each to ₹ 2,500,052,000 divided into 500,000,000 equity shares of ₹ 5 each and 520 redeemable, non-participating, non-cumulative preference shares of ₹ 100 each.

Major events and milestones

The table below sets forth some of the major events and milestones in our history:

Calendar year	Major events and milestones
1995	Incorporation of our Company as 'Hexacom India Limited' and receipt of certificate for commencement of business from the RoC.
2004	The name of our Company was changed to 'Bharti Hexacom Limited'.
2011	Launch of 3G services in Jaipur, which was our first launch in North India.
2015	Launch of 4G technology in Meghalaya's capital Shillong, the first in the North East circle.
2016	Launch of Platinum 3G services to customers in Agartala in Tripura, Itanagar in Arunachal Pradesh, Imphal and Churachandpur in Manipur.
2016	Launch of our first 4G service in Ajmer, which marked the rollout of Rajasthan's first 4G services followed by launch of 4G services in Kota and Jaipur.
2016	Launch of 15th Company-Owned-Company-Operated retail store in Rajasthan.
2016	Launch of 2G and 3G services to mobile services in towns of Lumla, Nafra and Longding in Arunachal Pradesh, which was the first time that customers in these towns gained access to 3G mobile services.
2017	Our Company entered into an agreement with USOF to provide 4G based mobile services in identified uncovered villages and along national highways under the USOF Scheme in Arunachal Pradesh, Manipur, Mizoram, Tripura and Nagaland.
2017	Received approval from DoT for the transfer of Tikona Digital Networks Private Limited 2300MHz spectrum in Rajasthan.
2019	Coverage of 4G network extended to 297 towns, 35,674 villages and over 20 million customers across Rajasthan.
2019*	Transfer of demerged undertakings of Tata Teleservices Limited to Bharti Airtel Limited and our Company.
2020	Our Company entered into an agreement with USOF to provide 4G based mobile services in identified uncovered villages and along national highways in Meghalaya.
2021	Our Company entered into an agreement with USOF to provide 4G based mobile services in identified uncovered villages under the USOF Scheme in Arunachal Pradesh.
2021	Our Company entered into an agreement with USOF to provide 4G based mobile services in identified uncovered villages in aspirational districts under the USOF Scheme in Rajasthan.
2021	Launch of Airtel Black.
2023	Launch of 5G services in Jaipur, Udaipur, Kota, Jodhpur, Ajmer, Alwar, Bikaner and Bhilwara in Rajasthan.
2023	Launch of Airtel 5G Plus services in Shillong and Meghalaya.
2023	Airtel customers in Itanagar can now experience fast network and enjoy speeds up to 20-30 times faster than the current 4G speeds.
2023	Launch of 5G services in the North-East, *i.e.*, in Kohima in Nagaland, Itanagar in Arunachal Pradesh, Aizawl in Mizoram, Gangtok in Sikkim, Silchar, Dibrugarh and Tinsukia in Assam.
2023	Activation of Airtel 4G in Anini, Dibang Valley, Arunachal Pradesh.
2023	Crossed 1.7 million unique 5G customers on our network in the North East states of Arunachal Pradesh, Sikkim, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura.
2023	Extends 5G coverage to 50 districts of Rajasthan empowering 2.7 million customers.
2024	Introduction of in-flight roaming plans for customers
2024	Launch of two next-gen stores in Agartala, Tripura

** For details of the demerger and litigation initiated in relation thereto, see "History and Certain Corporate Matters – Composite Scheme of Arrangement of Tata Teleservices Limited ("**Transferor Company**") with our Promoter and our Company and their respective shareholders and creditors ("**Scheme**") as sanctioned by the National Company Law Tribunal, Principal Bench, New Delhi by way of its orders dated January 30, 2019, March 5, 2019 and May 30, 2019 (collectively "**NCLT Orders**")", "Outstanding Litigation and Material Developments –*

Litigation involving our Company – Actions taken by Regulatory and Statutory Authorities" and "Outstanding Litigation and Material Developments – Litigation involving our Promoter – Actions by Statutory or Regulatory Authorities involving our Promoter" on pages 218, 383 and 388, respectively.

Key awards, accreditations or recognitions

The table below sets forth some of the awards, accreditations or recognitions received by us:

Calendar Year	Particulars
2022	Received a letter of appreciation from the Department of Telecommunications for the efforts and contribution in the joint survey regarding mobile coverage testing conducted by Rajasthan Licensed Service Area, DoT from February 21, 2022 to March 14, 2022 along international borders in Rajasthan.

Our holding company

As on the date of this Red Herring Prospectus, Airtel is our holding company. For details with respect to Airtel, see "*Our Promoter and Promoter Group*" on page 240.

Our subsidiaries, joint ventures and associates

We do not have any subsidiary, joint venture or associate as of the date of this Red Herring Prospectus.

Time or cost overrun in setting up projects by our Company

Our Company has not experienced any time or cost overrun in setting up any projects.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our Company's borrowings.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation or location of plants

For the details of key products or services launched by our Company and entry into new geographies, see "*Our Business*" on page 190.

Financial and/or strategic partners

Our Company does not have any significant financial or strategic partners as on the date of this Red Herring Prospectus.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets in the last ten years

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years preceding the date of this Red Herring Prospectus:

Composite Scheme of Arrangement of Tata Teleservices Limited ("Transferor Company") with our Promoter and our Company and their respective shareholders and creditors ("Scheme") as sanctioned by the National Company Law Tribunal, Principal Bench, New Delhi by way of its orders dated January 30, 2019, March 5, 2019 and May 30, 2019 (collectively "NCLT Orders")

The National Company Law Tribunal, Principal Bench, New Delhi by way of the NCLT Orders, under Sections 230-232 of the Companies Act, 2013, sanctioned the composite scheme of arrangement which provided for transfer by way of demerger of demerged undertakings of the Transferor Company to our Promoter and our Company. In terms of the Scheme, the demerged undertakings and the consideration for demerger were as follows:

(i) the demerged undertaking to be transferred to our Promoter comprised the entire consumer wireless mobile business, undertakings, activities and operations of the Transferor Company in TTSL's circles, apart from its Rajasthan circle ('**Demerged Undertaking 1**"). As consideration of vesting of the Demerged Undertaking 1 of the Transferor Company in our Promoter, our Promoter was required to issue and allot fully paid-up, redeemable, non-participating, non-cumulative preference shares of face value of ₹ 100 each of our Promoter ("**Airtel RPS**"), in the following manner: 500 Airtel RPS to all (and not each) holders of fully paid up equity shares of face value of ₹ 10 each ("**TTSL Equity Shares**", and such holders, "**TTSL Equity Holders**") in proportion to their holding of TTSL Equity Shares on the relevant record date; 10 Airtel RPS to all (and not each) holders of fully paid-up compulsorily convertible preferences shares of face value of ₹ 100 each of TTSL ("**TTSL CCPS**", and such holders, the "**TTSL CCPS Holders**") on the relevant record date and 10 Airtel RPS to all (and not each) holders of fully paid-up optionally convertible preferences shares of face value of ₹ 100 each of TTSL ("**TTSL OCPS**" and such holders, "**TTSL OCPS Holders**") on the relevant record date. Accordingly, our Promoter issued and allotted, on July 26, 2019, 467 Airtel RPS to all (and not each) TTSL Equity Holders in proportion to their holding of TTSL Equity Shares on July 12, 2019; 10 Airtel RPS to all (and not each) TTSL CCPS Holders in proportion to their holding of TTSL CCPS on July 12, 2019; 10 Airtel RPS to all (and not each) TTSL OCPS Holders in proportion to their holding of TTSL OCPS on July 12, 2019; and 10 Airtel RPS in the nature of fractional entitlements to the Bharti Airtel Fractional Share Entitlement Trust created in terms of the Scheme. Subsequently, all 497 Airtel RPS issued and allotted as consideration of vesting of the Demerged Undertaking 1 of the Transferor Company in our Promoter were redeemed on January 25, 2021.

(ii) the demerged undertaking to be transferred to our Company comprised the entire consumer wireless mobile business, undertakings, activities and operations of the Transferor Company in the Rajasthan circle provided under the Rajasthan Telecom License ("**Demerged Undertaking 2**"). As consideration of vesting of the Demerged Undertaking 2 of the Transferor Company in our Company, our Company was required to issue and allot fully paid-up, redeemable, non-participating, non-cumulative preference shares of face value of ₹ 100 each of our Company ("**BHL RPS**"), in the following manner: 500 BHL RPS to all (and not each) TTSL Equity Holders in proportion to their holding of TTSL Equity Shares on the relevant record date; 10 BHL RPS to all (and not each) TTSL CCPS Holders in proportion to their holding of TTSL CCPS on the relevant record date; and 10 BHL RPS to all (and not each) TTSL OCPS Holders in proportion to their holding of TTSL OCPS on the relevant record date. Accordingly, our Company issued and allotted on September 3, 2019, 457 BHL RPS to all (and not each) TTSL Equity Holders in proportion to their holding of TTSL Equity Shares on July 12, 2019; 10 BHL RPS to all (and not each) TTSL CCPS Holders in proportion to their holding of TTSL CCPS on July 12, 2019; 10 BHL RPS to all (and not each) TTSL OCPS Holders in proportion to their holding of TTSL OCPS on July 12, 2019; and 10 BHL RPS in the nature of fractional entitlements to the Bharti Airtel Fractional Share Entitlement Trust created in terms of the Scheme. Subsequently, all 487 BHL RPS issued and allotted as consideration of vesting of the Demerged Undertaking 2 of the Transferor Company in our Company were redeemed on March 3, 2021.

The Scheme also enlisted certain conditions precedent, such as receipt of written approvals from DoT with respect to the transactions contemplated under the Scheme.

Details of shareholders' agreements

Except as disclosed below, our Company does not have any other subsisting shareholders' agreements among our Shareholders *vis-a-vis* our Company:

Shareholders' agreement dated August 30, 2004 ("Shareholders' Agreement"), read together with the addendum dated October 7, 2004 ("Addendum", and together with the Shareholders' Agreement, the "SHA") entered into amongst Telecommunications Consultants India Limited ("TCIL") and the erstwhile Bharti Tele-Ventures Limited, the entity whose name was subsequently changed to Bharti Airtel Limited ("Airtel", and together with TCIL, the "Parties"), as amended by the amendment agreement dated January 19, 2024 ("Amendment Agreement") executed by and amongst the Parties

The Parties entered into the SHA to define their inter-se rights and obligations as shareholders of our Company and to provide for certain matters in connection with the ongoing management and operation of our Company.

In terms of the SHA, the Board is required to consist of six Directors consisting of two nominees of TCIL and four nominees of Airtel and any increase or decrease in the number of directors shall be in the same proportion. A nominee of Airtel is required to preside as Chairman of meetings of the Board of Directors and general meetings of the Shareholders. Further, in terms of the SHA, the chairman and managing director of Airtel is required to consult the chairman and managing director of TCIL before taking any decision, in respect of the certain matters ("**Consultation Matters**"), including approval of monthly and annual budgets, capital expenditure, dividend or bonus shares to shareholders and appointment of the chief executive officer of the Company. Additionally, there are certain special matters ("**Special Matters**") specified in the SHA, which are required to be mutually agreed in writing by the Parties, prior to their implementation by the Parties at meeting of the Shareholders, and for which affirmative votes of the Parties are required. The SHA provides that for meetings in which Special Matters and Consultation Matters are on the agenda, the presence of at least one nominee director each of TCIL and Airtel, excluding interested Directors, are required to constitute the quorum. The SHA also provides for certain restrictions on transfer of shares and right of first refusal of TCIL and Airtel.

The SHA, as amended by the Amendment Agreement, will automatically terminate in the following events: (a) upon mutual written agreement; (b) non-defaulting Party shall have the right to terminate the SHA upon thirty days' written notice to the other Party in the event that the other Party commits a default as defined under the SHA; (c) a non-affected Party shall have the right to terminate the SHA by notice in writing to the other Party, in the event that the other Party is adjudged bankrupt or becomes insolvent; (d) if any Party sells its shares in terms of the SHA; (e) if the shareholding of any Party becomes less than 26%, with effect from the date such shareholding becoming less than 26%; and (f) the receipt of final listing and trading approval from each of the Stock Exchanges for the listing and trading of the Equity Shares of the Company pursuant to the Offer, upon which the SHA shall stand automatically terminated, without any further act or deed required on the part of any Party.

By way of the Amendment Agreement, the Parties have agreed to consent, waive and amend certain terms of the Shareholders' Agreement, including, amongst others, restrictions on transfer of Equity Shares to the extent of any Equity Shares which are offered for sale in the proposed Offer by TCIL. Further, the Amendment Agreement shall continue in full force and effect until the earlier of any of the following events: (a) it is terminated by the mutual written agreement of all parties; or (b) the date on which our Company and TCIL, jointly, decide not to undertake the proposed Offer.

In terms of the Amendment Agreement, Part A of the Articles of Association shall continue to be in effect after the filing of the RHP with the RoC, or as directed by SEBI, and shall conform to requirements and directions provided by the Stock Exchanges, and Part B of the Articles of Association shall contain the extant Articles of Association and shall automatically terminate and cease to have any force and effect from the date of filing of the RHP with the RoC, or as directed by SEBI, without any further action by the Company or the Parties.

Except as disclosed in this Red Herring Prospectus, our Company, Promoter and the Shareholders confirm that there are no other inter-se agreements/ arrangements and the clauses/ covenants in the agreements governing the rights of Shareholders of our Company, to which they are a party, which are material, which need to be disclosed and there are no other clauses/ covenants in the agreements governing the rights of the Shareholders of our Company which are adverse/ prejudicial to the interests of minority/ public shareholders and other than in the ordinary course of business, carried on or intended to be carried on by our Company. Further, there are no other agreements, deeds of assignment, acquisition agreements, shareholders agreements, inter-se agreements, or agreements of like nature in connection with the shareholding of our Company other than as disclosed in this Red Herring Prospectus.

Other agreements

Except as disclosed below, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business:

Universal Service Obligation Fund Agreement for provision of mobile services in identified uncovered villages and along national highways in Manipur-A, Manipur-B, Mizoram, Nagaland, Tripura and Arunachal Pradesh units of North Eastern region between the President of India, acting through the Administrator, Universal Service Obligation Fund ("USOF"), Department of Telecommunications and our Company dated December 8, 2017 ("NESA USOF Agreement"), as amended by way of letters dated March 12, 2019, January 7, 2020 and July 2, 2020

Our Company entered into an agreement with USOF with the objective of providing based mobile services in identified uncovered villages and seamless mobile coverage along national highways in the north-eastern region of India, and in consideration of which, USOF agreed to grant subsidy to our Company. Our Company is required to set up, operate, maintain and manage the respective infrastructure sites required for effective provision of mobile services in the identified uncovered villages and seamless mobile coverage along national highways in the north-eastern region of India as per the terms and conditions laid down in the NESA USOF Agreement. In terms of the NESA USOF Agreement, our Company is responsible for carrying out surveys to identify the exact sites for installation of towers and the exact number and type of towers to be installed. Additionally, our Company is required to carry out all related activities with regard to the provision of mobile services such as acquisition of sites, installation of telecom towers and antennas and the continued operation and maintenance of towers and the infrastructure created for the provision of mobile services. USOF, pursuant to the NESA USOF Agreement, agreed to provide a subsidy amounting to ₹ 8,261.25 million for a total of 1001 sites across the north-eastern region of India; however, the final subsidy to be paid by USOF is contingent upon the sites where mobile towers with backhaul and associated equipment are installed and commissioned and will be limited to the number of sites finalized and approved by USOF, in compliance with terms of the NESA USOF Agreement.

While in terms of the NESA USOF Agreement, it is valid for a period of ten years unless revoked earlier, it was subsequently amended by way of letters from the USOF dated March 12, 2019, January 7, 2020, and July 2, 2020 to amend provisions in relation to timeline for rollout of applicable sites.

Universal Service Obligation Fund Agreement for provision of 4G based mobile services in identified uncovered villages and along national highways in Meghalaya between the President of India, acting through the Administrator, USOF and our Company dated September 4, 2020 ("Meghalaya USOF Agreement"), as amended by way of letters dated June 18, 2021, March 14, 2022, May 9, 2022, September 12, 2022, December 19, 2022, March 28, 2023 and September 18, 2023

Our Company entered into an agreement with USOF with the objective of providing 4G based mobile services in identified uncovered villages and along national highways in Meghalaya, and in consideration of which, USOF agreed to grant subsidy to our Company. Our Company is required to set up, operate, maintain and manage the respective infrastructure sites required for effective provision of 4G based mobile services in the identified uncovered villages and seamless mobile coverage along national highways in Meghalaya as per the terms and conditions laid down in the Meghalaya USOF Agreement. In terms of the Meghalaya USOF Agreement, our Company is responsible for carrying out surveys to identify the exact sites for installation of towers and the exact number and type of towers to be installed. Additionally, our Company is required to carry out all related activities with regard to the provision of the 4G mobile services such as acquisition of sites, installation of telecom towers and antennas and the continued operation and maintenance of towers and the infrastructure created for the provision of the 4G mobile services. USOF, pursuant to the Meghalaya USOF Agreement, agreed to provide a subsidy amounting to ₹ 7,266.57 million for a total of 889 sites across Meghalaya; however, the final subsidy to be paid by USOF is contingent upon the sites where mobile towers with backhaul and associated equipment are installed and commissioned and will be limited to the number of sites finalized and approved by USOF, in compliance with terms of the Meghalaya USOF Agreement.

While in terms of the Meghalaya USOF Agreement, it is valid for a period of ten years and 18 months unless revoked earlier, it was subsequently amended by way of letters from the USOF dated June 18, 2021, May 9, 2022, September 12, 2022, March 28, 2023 and September 18, 2023 to extend the validity to a total of 10 years and 39 months for applicable sites.

Further, the Meghalaya USOF Agreement was amended by way of a letter from USOF dated December 19, 2022, which included an additional 528 sites to be covered across Meghalaya with an additional subsidy of ₹ 4,335.62 million and the validity in respect of these additional sites being 10 years, 44 months and 21 days from the effective date of the Meghalaya USOF Agreement.

Universal Service Obligation Fund Agreement for provision of 4G based mobile services in identified uncovered villages in aspirational districts in Rajasthan between the President of India, acting through the Administrator, USOF and our Company dated March 22, 2021 ("Rajasthan USOF Agreement"), as amended by way of letters dated March 4, 2022, March 15, 2022, July 18, 2022 (read with corrigendum dated August 26, 2022), December 9, 2022, August 17, 2023 and August 31, 2023

Our Company entered into an agreement with USOF with the objective of providing 4G based mobile services in identified uncovered villages in Rajasthan, and in consideration of which, USOF agreed to grant subsidy to our Company. Our Company is required to set up, operate, maintain and manage the respective infrastructure sites required for effective provision of 4G based mobile services in the identified uncovered villages in Rajasthan as per the terms and conditions laid down in the Rajasthan USOF Agreement. In terms of the Rajasthan USOF

Agreement, our Company is responsible for carrying out surveys to identify the exact sites for installation of towers and the exact number and type of towers to be installed. Additionally, our Company is required to carry out all related activities with regard to the provision of the 4G mobile services such as acquisition of sites, installation of telecom towers and antennas and the continued operation and maintenance of towers and the infrastructure created for the provision of the 4G mobile services. USOF, pursuant to the Rajasthan USOF Agreement, agreed to provide a subsidy amounting to ₹ 1,665.40 million for a total of 186 sites across Rajasthan. Further, pursuant to the letter from USOF to our Company dated August 17, 2023, the amount of subsidy and number of sites under the Rajasthan USOF Agreement were amended to ₹ 587.40 million and 66 sites, respectively; however, the final subsidy to be paid by USOF is contingent upon the sites where mobile towers with backhaul and associated equipment are installed and commissioned and will be limited to the number of sites finalized and approved by USOF, in compliance with terms of the Rajasthan USOF Agreement.

While in terms of the Rajasthan USOF Agreement, it is valid for a period of ten years and twelve months unless revoked earlier, it was subsequently amended by way of letters from the USOF dated March 4, 2022, July 18, 2022 (read with corrigendum dated August 26, 2022), December 9, 2022, and August 31, 2023 to extend the validity to a total of 10 years and 33 months for applicable sites.

Universal Service Obligation Fund Agreement for provision of 4G based mobile services in identified uncovered villages in Arunachal Pradesh between the President of India, acting through the Administrator, USOF and our Company dated October 29, 2021 ("Arunachal USOF Agreement"), as amended by way of letters dated December 15, 2021, May 25, 2023 and August 14, 2023

Our Company entered into an agreement with USOF with the objective of providing 4G based mobile services in identified uncovered villages in Arunachal Pradesh, and in consideration of which, USOF agreed to grant subsidy to our Company. Our Company is required to set up, operate, maintain and manage the respective infrastructure sites required for effective provision of 4G based mobile services in the identified uncovered villages in Arunachal Pradesh as per the terms and conditions laid down in the Arunachal USOF Agreement. In terms of the Arunachal USOF Agreement, our Company is responsible for carrying out surveys to identify the exact sites for installation of towers and the exact number and type of towers to be installed. Additionally, our Company is required to carry out all related activities with regard to the provision of the 4G mobile services such as acquisition of sites, installation of telecom towers and antennas and the continued operation and maintenance of towers and the infrastructure created for the provision of the 4G mobile services. USOF, pursuant to the Arunachal USOF Agreement, agreed to provide a subsidy amounting to ₹ 7,737.30 million for a total of 980 sites across Arunachal Pradesh; however, the final subsidy to be paid by USOF is contingent upon the sites where mobile towers with backhaul and associated equipment are installed and commissioned and will be limited to the number of sites finalized and approved by USOF, in compliance with terms of the Arunachal USOF Agreement.

While in terms of the Arunachal USOF Agreement, it is valid for a period of 10 years and 18 months unless revoked earlier, it was subsequently amended by way of letters from the USOF dated May 25, 2023, and August 14, 2023 to extend the validity to a total of 10 years and 24 months for applicable sites.

Details of guarantees given to third parties by promoter offering Equity Shares in the Offer

Our Promoter is not offering any Equity Shares in the Offer.

Other confirmations

As on the date of this Red Herring Prospectus, none of the Key Management Personnel, Senior Management, Directors or any other employee of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board shall comprise not more than 15 Directors and not less than three directors. As on the date of filing this Red Herring Prospectus, we have 10 Directors on our Board, of whom, five are Non-Executive Directors, and five are Independent Directors, including one woman independent director.

The following table sets forth the details of our Board as on the date of this Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship, date of appointment and DIN	Age (years)	Other directorships
Jagdish Saksena Deepak *Designation*: Chairperson and Non-Executive Director *Date of birth*: July 16, 1958 *Address*: Flat No. 2102, ATS One Hamlet, Sector 104, Gautam Buddha Nagar - 201 304, Uttar Pradesh, India *Occupation*: Retired IAS Officer/Secretary to Government of India *Current term*: Liable to retire by rotation *Period of directorship*: Director since May 20, 2022 *DIN*: 02194470	65	*Indian Companies:* *Public Limited Companies* i. Axis Securities Limited
Devendra Khanna[#] *Designation*: Non-Executive Director *Date of birth*: July 14, 1960 *Address*: S 333, First Floor, Panchsheel Park, Malviya Nagar, South Delhi - 110 017, Delhi, India *Occupation*: Service *Current term*: Liable to retire by rotation *Period of directorship*: Director since August 10, 2013 *DIN*: 01996768	63	*Indian Companies:* *Public Limited Companies* i. Bharti Telecom Limited; and ii. Bharti Enterprises Limited. *Private Limited Companies* i. Bharti Enterprises (Holding) Private Limited; ii. Bharti (SBM) Holdings Private Limited; iii. Bharti (SBM) Services Private Limited; iv. Bharti (SBM) Resources Private Limited; v. Bharti (SBM) Trustees Private Limited; vi. Bharti SBM Trustees II Private Limited; vii. Bharti SBM Trustees D1 Private Limited; viii. Bharti SBM Trustees S1 Private Limited; ix. Bharti SBM Trustees S2 Private Limited; x. Gourmet Investment Private Limited; xi. Akshram Trustees Private Limited; and xii. Dixon Electro Appliances Private Limited *Section 8 Companies*

Name, designation, date of birth, address, occupation, current term, period of directorship, date of appointment and DIN	Age (years)	Other directorships
		i. Satya Bharti Foundation *Foreign Companies:* i. Bharti Airtel International (Mauritius) Limited; ii. Bharti Airtel (Hong Kong) Limited; and iii. Bharti Airtel (USA) Limited
Soumen Ray# *Designation*: Non-Executive Director *Date of birth*: July 13,1973 *Address*: A3301, Oberoi Springs, Andheri Link Road, Andheri West, Mumbai – 400 053, Maharashtra, India *Occupation*: Service/Employment *Current term*: Liable to retire by rotation *Period of directorship*: Director since February 14, 2022 *DIN*: 09484511	50	*Indian Companies:* *Public Limited Companies* i. Airtel Limited; ii. Beetel Teletech Limited; iii. Bharti Airtel Services Limited; iv. Bharti Telemedia Limited; and v. Xtelify Limited (*formerly known as Airtel Digital Limited*)
Sanjeev Kumar* *Designation*: Non-Executive Director *Date of birth*: December 1, 1966 *Address*: C-1/65, Zakir Husain Marg, Bapa Nagar, Delhi High Court, Central Delhi – 110 003, Delhi, India *Occupation*: Service *Current term*: Liable to retire by rotation *Period of directorship*: Director since February 1, 2021 *DIN*: 07566882	57	*Indian Companies:* *Public Limited Companies* i. Telecommunications Consultants India Limited *Foreign Companies:* i. United Telecom Limited; and ii. TCIL USA Inc., USA
Surajit Mandol* *Designation*: Non-Executive Director *Date of birth*: November 21, 1971 *Address*: G-1365, 2nd Floor, Chitranjan Park, South Delhi – 110 019, Delhi, India *Occupation*: Service *Current term*: Liable to retire by rotation *Period of directorship*: Director since April 15, 2023 *DIN*: 10098016	52	*Indian Companies:* *Public Limited Companies* i. Telecommunications Consultants India Limited
Ashok Tyagi *Designation*: Independent Director	70	*Indian Companies:* *Public Limited Company*

Name, designation, date of birth, address, occupation, current term, period of directorship, date of appointment and DIN	**Age (years)**	**Other directorships**
Date of birth: January 1, 1954 *Address*: E 130, First Floor, Greater Kailash Part-I, South Delhi, 110 048, Delhi, India *Occupation*: Professional *Current term*: For a period of five years with effect from February 14, 2022 *Period of directorship*: Director since February 14, 2022 *DIN*: 00784563		i. MAS Services Limited *Private Limited company* i. Adhishthaan Housing Private Limited; and ii. Ishavani Estates Private Limited.
Arvind Kohli *Designation*: Independent Director *Date of birth*: July 30, 1961 *Address*: H. No. 199, Sector 7, Mahendragarh, Gurgaon-122 001, Haryana, India *Occupation*: Self Employed *Current term*: For a period of five years with effect from March 22, 2023 *Period of directorship*: Director since March 22, 2023 *DIN*: 00001920	62	*Indian Companies:* *Public Limited Company* i. Bharti Telecom Limited; ii. Bharti Realty limited; iii. Beetel Teletech Limited; iv. Indo Teleports Limited; v. Vinta Realty Limited; vi. Populus Realty Limited; vii. Pamir Developers Limited; viii. Alborz Developers Limited; and ix. Zagros Developers Limited
Arun Gupta *Designation*: Independent Director *Date of birth*: November 22, 1975 *Address*: A-57, Sector 30, Noida, Gautam Buddha Nagar - 201 301, Uttar Pradesh, India *Occupation*: Self-Employed *Current term*: For a period of five years with effect from December 22, 2023 *Period of directorship*: December 22, 2023 *DIN*: 00002157	48	*Indian Companies:* *Private Limited Company* i. Airstrip Realtech Private Limited; ii. Oyo Hotels and Homes Private Limited; and iii. Factum Legal Private Limited
Nalina Suresh *Designation*: Independent Director *Date of birth*: September 7, 1970 *Address*: 1601, Tower 2, The Palms, South City 1, Gurgaon – 122 001, Haryana, India *Occupation*: Self-Employed *Current term*: For a period of five years with effect from December 22, 2023 *Period of directorship*: December 22, 2023	53	*Nil*

Name, designation, date of birth, address, occupation, current term, period of directorship, date of appointment and DIN	Age (years)	Other directorships
DIN: 10429755		
Kapal Kumar Vohra *Designation*: Independent Director *Date of birth*: May 20, 1958 *Address*: House no. 26A, New Lajpat Nagar, Pakhowal Road, Ludhiana – 141 002, Punjab, India *Occupation*: Professional *Current term*: For a period of five years with effect from December 22, 2023 *Period of directorship*: December 22, 2023 *DIN*: 07384162	65	*Indian Companies:* *Public Limited Company* i. Nupur Recyclers Limited

 # Nominee of Bharti Airtel Limited.
** Nominee of Telecommunications Consultants India Limited.*

Brief profiles of our Directors

Jagdish Saksena Deepak is the Chairperson of the Board of our Company. He completed his post-graduate diploma in management from Indian Institute of Management, Ahmedabad. Prior to joining our Company, he was an Indian Administrative Service officer and served as the Ambassador / Permanent Representative of India to the World Trade Organisation, Geneva. He has served as the Secretary in the Department of Telecommunications and the Department of Electronics & Information Technology, Government of India. He has over 38 years of experience in administration services in various Ministries of Government of India.

Devendra Khanna is a Non-Executive Director on the Board of our Company. He is an associate member of the Institute of Chartered Accountants of India. In the past, he has been associated with Triveni Engineering & Industries Limited. He is currently the joint managing director at Bharti Enterprises. He has over 35 years of experience inclusive of over 19 years of experience in telecommunication sector.

Soumen Ray is a Non-Executive Director on the Board of our Company. He holds a bachelor’s degree in commerce (honours) from University of Calcutta, Kolkata. He is an associate member of the Institute of Chartered Accountants of India. In the past, he has been associated with Bajaj Auto Limited, Viacom 18 Media Private Limited and ITC Limited. He is currently chief financial officer of Bharti Airtel Limited and has experience in various sectors including FMCG, telecommunication, automotive manufacturing and media.

Sanjeev Kumar is a Non-Executive Director on the Board of our Company. He holds a bachelor’s degree in technology from KNIT, Sultanpur, Avadh University, master’s degree in engineering from the Birla Institute of Technology and Science, Pilani and a master’s degree in business administration (public system management), University of Delhi, Delhi. In the past, he has been associated with Mahanagar Telephone Nigam Limited and Bharat Sanchar Nigam Limited. He is currently the chairman and managing director of TCIL. He has over 33 years of experience in telecommunication sector.

Surajit Mandol is a Non-Executive Director on the Board of our Company. He holds a bachelor’s degree in electronics & telecommunication engineering from Jadavpur University, Kolkata and a post graduate diploma in management from Indian Institute of Management, Kozhikode Society, Kozhikode. In the past, he has been associated with Bharat Sanchar Nigam Limited. He is currently the director (finance) of TCIL. He has over 28 years of experience in telecommunication sector.

Ashok Tyagi is an Independent Director on the Board of our Company. He holds a bachelor’s degree in science from University of Delhi, Delhi. He is a fellow member of The Institute of Company Secretaries of India. He also has been awarded post-diploma in company secretaryship (part-time) by the Board of Technical Education, Delhi. He has over 17 years of experience of practicing as a company secretary.

Arvind Kohli is an Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from Delhi University and a diploma in intellectual property rights law from the Indian Law Institute, New Delhi. He is a member of the Indian Council of Arbitration, Institute of Company Secretaries of India and All India Management Association. He is also an associate member of the Indian Society of International Law. He is eligible to practise as a registered valuer for the asset class 'Securities or Financial Assets' and holds a certificate of registration as a valuer issued by Insolvency and Bankruptcy Board of India. He has over 25 years of experience of practicing as a company secretary.

Arun Gupta is an Independent Director on the Board of our Company. He holds a bachelor's degree in law from Chaudhri Charan Singh University, Meerut. He is an associate member of The Institute of Company Secretaries of India and is also registered as an insolvency professional with the Insolvency and Bankruptcy Board of India. He has been a member of the of the Bar Council of Delhi since 2011 and has been practicing law for more than 12 years.

Nalina Suresh is an Independent Director on the Board of our Company. She was awarded the degree of rashtra bhasha praveen by Dakshina Bharat Hindi Prachar Sabha, Tamil Nadu and also holds a post graduate diploma in personnel management and industrial relations from XLRI Jamshedpur. In the past, she has been associated with Godrej Pacific Technology Limited, I.G.E. India Limited, Domino's Pizza India Limited as the chief-human resources, Grow Talent Company Limited, director in consulting SBU at PricewaterhouseCoopers Private Limited, Mahindra & Mahindra Limited, and as a senior partner at EMS Partners Limited. She has experience in various sectors across industries and in consulting.

Kapal Kumar Vohra is an Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from D.A.V. College, Jullundur, Guru Nanak Dev University, Amritsar. He also holds a master's degree in arts, a master's degree in business administration and has completed post graduate diploma in international trade, each from the Panjab University. He also holds a master's degree in business administration from Nijenrode University, Breukelen, Netherlands. He also has an honorary fellowship from Indian Institute of Banking and Finance. He has been the Executive Director in Reserve Bank of India and has also been associated with various institutions, such as Central Bank of Oman and International Finance Corporation, among others. He was a technical member of the National Company Law Tribunal, New Delhi and Mumbai. He has over 40 years of experience in the banking and regulatory sectors.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Relationships amongst our Directors and Key Managerial Personnel or Senior Management

None of our Directors are related to each other (as defined in the Companies Act, 2013), nor are any of our Directors related to any of our Key Managerial Personnel or Senior Management.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Except Devendra Khanna and Soumen Ray who are nominee directors of Bharti Airtel Limited and Sanjeev Kumar and Surajit Mandol who are nominee directors of Telecommunications Consultants India Limited, none of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, 2013 and pursuant to a special resolution of our Shareholders at an AGM held on September 22, 2020, our Board is authorised for availing and obtaining fund and non-fund based credit facilities from any bank and/or financial institution, body corporates and issuance of commercial papers, bonds and/or other debt instruments from time to time in one or more tranches in such a manner that the aggregate borrowings (apart from the temporary loans obtained from the company's bankers in the ordinary course of business) at any point of time, shall not exceed overall borrowing limits of ₹ 75,000 million.

Terms of appointment of our Directors

Sitting fees and commission to Non-Executive Directors and Independent Directors

Pursuant to a resolution of our Board dated March 27, 2015**,** our Independent Directors are entitled to receive sitting fees of ₹ 25,000 for attending board meeting and all committee meeting (including meetings attended through video conferences) held in a single day. Additionally, pursuant to the shareholders' resolutions passed at the annual general meetings held on September 30, 2022 and September 29, 2023, Jagdish Saksena Deepak, our Chairman and Non-Executive Director is entitled to receive an annual remuneration of up to ₹ 3.00 million.

Our Company has not entered into any contract appointing or fixing the remuneration of a Director, Whole-time Director, or manager in the two years preceding the date of this Red Herring Prospectus.

Payments or benefits to our Directors

Non-Executive Directors and Independent Directors

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Non-Executive Directors and our Independent Directors for the Financial Year 2023:

Sr. No.	Name of the Director	Remuneration for Financial Year 2023 (in ₹ million)
1)	Jagdish Saksena Deepak	2.59
2)	Devendra Khanna	Nil
3)	Soumen Ray	Nil
4)	Sanjeev Kumar	Nil
5)	Surajit Mandol	Nil
6)	Ashok Tyagi	0.15
7)	Arvind Kohli	Nil
8)	Arun Gupta	Nil*
9)	Nalina Suresh	Nil*
10)	Kapal Kumar Vohra	Nil*

***** *No remuneration was paid in Financial Year 2023, as they were appointed in Financial Year 2024.*

Contingent and deferred compensation payable to the Directors

As on the date of this Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Red Herring Prospectus, except Devendra Khanna who holds two Equity Shares, as the registered holder of which our Promoter is the beneficial owner none of our Directors hold any Equity Shares in our Company.

Interest of Directors

All our Directors may be deemed to be interested to the extent of sitting fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company.

None of our Directors are interested in the promotion of our Company.

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Red Herring Prospectus.

Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Arun Gupta	Independent Director	December 22, 2023	Appointment
Nalina Suresh	Independent Director	December 22, 2023	Appointment
Kapal Kumar Vohra	Independent Director	December 22, 2023	Appointment
Vidyut Gulati	Non-Executive Director	December 22, 2023	Resignation
Rahul Vatts	Non-Executive Director	December 22, 2023	Resignation
Ravinder Arora	Independent Director	December 22, 2023	Resignation
Surajit Mandol	Non-Executive Director	April 15, 2023	Appointment
Arvind Kohli	Independent Director	March 22, 2023	Appointment
Rajiv Kumar Chaudhri	Independent Director	December 15, 2022	Cessation due to death
Narendra Jain	Non-Executive Director	November 30, 2022	Resignation
Pankaj Tewari	Non-Executive Director	May 19, 2022	Resignation
Ajeeta Kahale	Non-Executive Director	May 19, 2022	Resignation
Vidyut Gulati	Non-Executive Director	May 20, 2022	Appointment
Rahul Vatts	Non-Executive Director	May 20, 2022	Appointment
Jagdish Saksena Deepak	Non-Executive Director	May 20, 2022	Appointment
Ajeeta Kahale	Non-Executive Director	February 14, 2022	Appointment
Ashok Tyagi	Independent Director	February 14, 2022	Appointment
Soumen Ray	Non-Executive Director	February 14, 2022	Appointment
Neha Sharma	Non-Executive Director	February 14, 2022	Resignation
Badal Bagri	Non-Executive Director	October 29, 2021	Resignation
Sunil Kumar Goyal	Independent Director	March 24, 2021	Resignation

Note: *This table does not include details of regularisations of additional Directors.*

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

i. Audit Committee;
ii. Nomination and Remuneration Committee;
iii. Stakeholders Relationship Committee;
iv. Corporate Social Responsibility Committee; and
v. Risk Management Committee.

1. Audit Committee

The Audit Committee was constituted by a resolution of our Board dated May 27, 1996 (as audit and finance committee) and was last re-constituted by our Board at their meeting held December 22, 2023. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Ashok Tyagi	Chairman	Independent Director
Arun Gupta	Member	Independent Director
Arvind Kohli	Member	Independent Director
Kapal Kumar Vohra	Member	Independent Director
Soumen Ray	Member	Non-Executive Director
Surajit Mandol	Member	Non-Executive Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;
(b) To seek information from any employee of the Company;
(c) To obtain outside legal or other professional advice;
(d) To secure attendance of outsiders with relevant expertise if it considers necessary; and
(e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statements and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(b) Recommendation to the board of directors for appointment, re-appointment and replacement, removal, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, or any other external auditor, of the Company and the fixation of audit fees and approval for payment for any other services;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

i. 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;
ii. Changes, if any, in accounting policies and practices and reasons for the same;
iii. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
iv. Significant adjustments made in the financial statements arising out of audit findings;
v. Compliance with listing and other legal requirements relating to financial statements;
vi. Disclosure of any related party transactions; and
vii. Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;

(f) 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 utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Valuation of undertakings or assets of the company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) 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;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) 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;

(r) 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;

(s) Looking 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;

(t) Reviewing the functioning of the whistle blower mechanism;

(u) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (*i.e.*, the whole-time finance director or any other person heading the finance function or discharging that function and who will be designated as the CFO of the Company) after assessing the qualifications, experience and background, etc., of the candidate;

(v) Carrying out any other functions or roles as provided under or required to be performed by the audit committee under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws;

(w) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(x) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(y) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(z) 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 existing as per the SEBI Listing Regulations;

(aa) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(bb) To consider and approve the key performance indicators of the Company as required under the applicable laws.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(e) Statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations;

ii. annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of the SEBI Listing Regulations; and

(f) Review the financial statements, in particular, the investments made by any unlisted subsidiary.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

2. Nomination and Remuneration Committee

The Nomination and Remuneration committee was constituted by a resolution of our Board dated May 28, 2014 and last re-constituted by our Board at their meeting held on December 22, 2023 The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Arvind Kohli	Chairman	Independent Director
Ashok Tyagi	Member	Independent Director
Nalina Suresh	Member	Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(ii) The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(iii) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

(a) use the services of any external agencies, if required;
(b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
(c) consider the time commitments of the candidates.

(iv) Formulation of criteria for evaluation of performance of independent directors and the Board;

(v) Devising a policy on Board diversity;

(vi) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(vii) Analysing, monitoring and reviewing various human resource and compensation matters;

(viii) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(ix) Recommending to the Board the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(x) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(xi) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(xii) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(xiii) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“ESOP Scheme”) and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(xiv) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable;

(xv) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated October 29, 2021 and was last re-constituted by our Board at their meeting held on December 22, 2023 The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Arun Gupta	Chairman	Independent Director
Kapal Kumar Vohra	Member	Independent Director
Soumen Ray	Member	Non-Executive Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(i) Redressal of all security holders' and investors' grievances including complaints related to transfer/transmission of shares, non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of declared dividends, non-receipt of annual reports, issue of new/duplicate certificates, etc., and assisting with quarterly reporting of such complaints;

(ii) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(iii) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(iv) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(v) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(vi) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services; and

(vii) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

The quorum for the Stakeholders Relationship Committee will be two Members or one-third of the Members of the Committee, whichever is higher.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated May 28, 2014 and was last re-constituted by our Board at their meeting held on December 22, 2023 The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Soumen Ray	Chairman	Non-Executive Director
Arun Gupta	Member	Independent Director
Arvind Kohli	Member	Independent Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(i) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(ii) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(iii) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(iv) To formulate the annual action plan of the Company;

(v) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(vi) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(vii) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, as amended.

The quorum for the Corporate Social Responsibility Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

5. Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated October 29, 2021 and was last re-constituted by our Board at their meeting held on December 22, 2023 The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Arvind Kohli	Chairman	Independent Director
Akhil Garg	Member	Chief Financial Officer
Ashok Tyagi	Member	Independent Director
Surajit Mandol	Member	Non-Executive Director

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee shall be responsible for, among other things, the following:

(i) To formulate a detailed risk management policy, which shall include:

(a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Committee;
(b) Measures for risk mitigation including systems and processes for internal control of identified risks; and
(c) Business continuity plan.

(ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

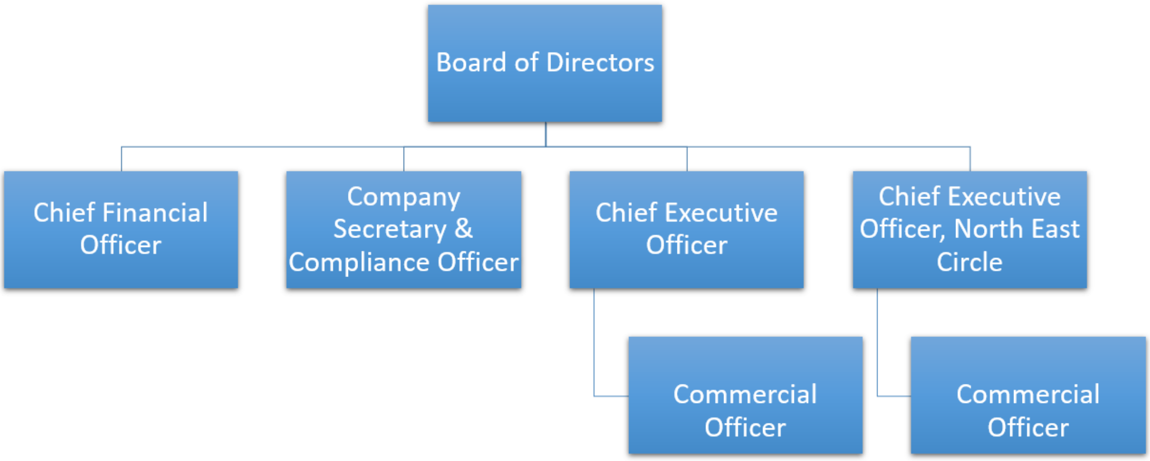
(v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(vi) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Risk Management Committee shall be two members or one third of the members of the committee, whichever is higher, including at least one member of the Board in attendance.

Management organization chart



Key Managerial Personnel

The details of our Key Managerial Personnel as on the date of this Red Herring Prospectus are as set forth below:

Marut Dilawari is the Chief Executive Officer of our Company, since November 12, 2022. He holds a master's degree in business administration from Maharshi Dayanand University, Rohtak. He holds a postgraduate certificate in business management from XLRI, Jamshedpur. Prior to joining our Company, he was associated with Escotel Mobile Communications Limited, Bharti Cellular Limited, Aditya Birla Retail Limited and Tata Teleservices Limited.

Akhil Garg is the Chief Financial Officer of our Company, since November 7, 2023. He holds a master's degree in business administration from University of Melbourne. He is an associate member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with PepsiCo India Holdings Private Limited and ECS Limited.

Richa Gupta Rohatgi is the Company Secretary and Compliance Officer of our Company, since February 14, 2022. She holds a bachelor's degree in law from Chaudhri Charan Singh University, Meerut and a bachelor's in commerce from Hansraj College, Delhi University. She is an associate member of The Institute of Company Secretaries of India. Prior to joining our Company, she was associated with Eldeco Infrastructure and Properties Limited, SRL Limited, Pacific Development Corporation Limited and Religare Finvest Limited.

Senior Management

In addition to the Marut Dilawari, Chief Executive Officer, Akhil Garg, Chief Financial Officer and Richa Gupta Rohatgi, Company Secretary and Compliance Officer of our Company, whose details are provided in "– *Key Managerial Personnel*" on page 237, the details of our other Senior Management as on the date of this Red Herring Prospectus are as set forth below:

Rajnish Verma is the Chief Executive Officer, North East Circle of our Company since December 22, 2023. He holds a post graduate diploma in telecom management from Symbiosis Institute of Telecom Management, Pune, Maharashtra. Prior to joining our Company, he was associated with Reliance Telecom Limited.

Rajesh Chhatani is the Commercial Officer (reporting to the Chief Executive Officer) of our Company since December 22, 2023 and has been associated with us since June 22, 2009. He has passed the examination for bachelor's in commerce and master's in commerce both from University of Rajasthan and holds a post graduate diploma in business administration from Symbiosis Centre for Distance Learning, Pune, Maharashtra. He has also passed the intermediate examination held by the Institute of Cost Accountants of India.

Deepesh Sirohia is the Commercial Officer (reporting to the Chief Executive Officer, North East Circle of our Company since December 22, 2023. He has passed the examination for bachelor's in commerce from Gauhati Commerce College, Gauhati University, Guwahati, Assam. He is an associate member of the Institute of Chartered Accountants of India. He also has passed the professional programme examination held by the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with NMDC Limited.

Relationships among our Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are related to each other.

Arrangements or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel or Senior Management in last three years

Except as mentioned below, there have been no changes in the Key Managerial Personnel or Senior Management in the last three years:

Name	Date of change	Reason
Rajnish Verma	December 22, 2023	Appointment as Chief Executive Officer North East Circle
Rajesh Chhatani	December 22, 2023	Appointment as Commercial Officer
Deepesh Sirohia	December 22, 2023	Appointment as Commercial Officer
Akhil Garg	November 7, 2023	Appointment as Chief Financial Officer
Kamal Dua	November 7, 2023	Resignation as Chief Financial Officer
Marut Dilawari	November 12, 2022	Appointment as Chief Executive Officer
Nidhi Lauria	November 11, 2022	Resignation as Chief Executive Officer
Richa Gupta Rohatgi	February 14, 2022	Appointment as Company Secretary and Compliance Officer
Swati Batra	February 14, 2022	Resignation as Company Secretary
Swati Batra	May 14, 2021	Appointment as Company Secretary
Bernadette Dominic	April 23, 2021	Resignation as Company Secretary

The rate of attrition of our Key Managerial Personnel and Senior Management was high in comparison to the industry in which we operate for the financial year 2022 and 2023 and was lower than the industry in financial year 2021. For details, see "*Risk Factors – 28. We are dependent on our Key Managerial Personnel, Senior Management and our employees, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, financial condition and results of operations*" and "*Risk Factors – 9. Any change in our relationship with our Promoter, Airtel and its affiliates, may adversely affect our reputation, business, operations, financial condition and results of operations"* on pages 52 and 40, respectively.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management except Rajesh Chhatani are permanent employees of our Promoter.

Payments or benefits to our Key Managerial Personnel and Senior Management

The table below sets forth the details of the remuneration paid to our Key Managerial Personnel and Senior Management for the Financial Year 2023:

Sr. No.	Name of the Key Managerial Personnel and Senior Management	Remuneration for Financial Year 2023 (in ₹ million)
1.	Marut Dilawari	Nil*
2.	Akhil Garg	Nil*
3.	Richa Gupta Rohatgi	Nil*
4.	Rajnish Verma	Nil*
5.	Rajesh Chhatani	2.74
6.	Deepesh Sirohia	Nil*

***** *No remuneration was paid by our Company in Fiscal 2023, as the remuneration was paid by our Promoter pursuant to the*

Cost Sharing Agreement. For further details, please see "Risk Factors – 28. We are dependent on our Key Managerial Personnel, Senior Management and our employees, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, financial condition and results of operations" on page 52.

Retirement and termination benefits

Our Key Managerial Personnel or Senior Management have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel or Senior Management is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel and Senior Management

None of our other Key Managerial Personnel and Senior Management hold any Equity Shares in our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

As on the date of this Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel and Senior Management for Financial Year 2023, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Our Company does not have a profit-sharing plan for our Key Managerial Personnel and Senior Management.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

ESOP Scheme

As on the date of this Red Herring Prospectus, our Company does not have any employee stock options scheme or any employee stock option plan.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

As on the date of this Red Herring Prospectus, Bharti Airtel Limited is the Promoter of our Company.

As on the date of this Red Herring Prospectus, our Promoter holds 350,000,000* Equity Shares in our Company, representing 70.00%* of the pre-Offer issued, subscribed and paid-up equity share capital of our Company. For further details, see "*Capital Structure – 6. History of the Share Capital held by our Promoter – (a) Build-up of the Equity shareholding of our Promoter in our Company*" on page 93.

**Two Equity Share each, are held by Puneet Tandon, Suman Singh, Rohit Krishan Puri, Pankaj Tewari and Devendra Khanna as the registered holders in their respective demat accounts, on behalf of our promoter who is the beneficial owner of these Equity Shares.*

Bharti Airtel Limited ("Airtel")

Corporate Information

Airtel was originally incorporated as 'Bharti Tele-Ventures Limited' on July 7, 1995 at New Delhi, as a public limited company under the Companies Act, 1956 and was granted the certificate of incorporation by the Registrar of Companies, NCT of Delhi & Haryana at New Delhi. It received the certificate for commencement of business from the Registrar of Companies, NCT of Delhi & Haryana at New Delhi on January 18, 1996. Subsequently, the name was changed from 'Bharti Tele-Ventures Limited' to 'Bharti Airtel Limited' and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, NCT of Delhi & Haryana at New Delhi on April 24, 2006. The Corporate Identification Number of Airtel is L74899HR1995PLC095967. Its registered office is located at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram -122 015, Haryana, India.

Nature of Business

Airtel is engaged in the business of telecommunications services. There has been no change in business activities of Airtel.

Board of Directors

The board of directors of Airtel, as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the Director	Designation
1.	Sunil Bharti Mittal	Chairman and Whole-time Director
2.	Gopal Vittal	Managing Director and Chief Executive Officer
3.	Chua Sock Koong	Non-Executive Director
4.	Tao Yih Arthur Lang	Non-Executive Director
5.	Rakesh Bharti Mittal	Non-Executive Director
6.	Pradeep Kumar Sinha	Independent Director
7.	Nisaba Godrej	Independent Director
8.	Kimsuka Narasimhan	Independent Director
9.	Shyamal Mukherjee	Independent Director
10.	Douglas Anderson Baillie	Independent Director

Shareholding Pattern of our Promoter

As on the date of this Red Herring Prospectus, the authorised share capital of Airtel is ₹ 148,730,500,000 divided into 29,746,080,000 equity shares of face value of ₹ 5 each, and 1,000 preference shares of face value of ₹ 100 each. The issued and paid-up share capital of Airtel, as on the date of this Red Herring Prospectus is ₹ 28,765,794,962.50 divided into 5,655,087,077 equity shares of face value of ₹5 each (fully paid up) and 392,287,662 equity shares of face value of ₹ 5 each (₹ 1.25 paid up).

The shareholding pattern of the equity shares of our Promoter as on December 31, 2023 is as follows:

Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid-up equity shares held	No. of Partly paid-up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)As a % of (A+B+C2)	Number of equity shares held in dematerialized form
							Class eg: X	Total		
A) Promoter										
A1) Indian										
Any Other (specify)		1	2,237,621,668	143,404,307	2,381,025,975	39.57	2,381,025,975	39.57	39.07	2,381,025,975
Bharti Telecom Limited	Promoter	1	2,237,621,668	143,404,307	2,381,025,975	39.57	2,381,025,975	39.57	39.07	2,381,025,975
Sub Total A1		1	2,237,621,668	143,404,307	2,381,025,975	39.57	2,381,025,975	39.57	39.07	2,381,025,975
A2) Foreign										
Any Other (specify)		3	822,193,964	80,255,167	902,449,131	15.00	902,449,131	15.00	14.81	902,449,131
Indian Continent Investment Limited	Promoter Group	1	250,285,640	24,156,604	274,442,244	4.56	274,442,244	4.56	4.50	274,442,244
Viridian Limited	Promoter Group	1		778,675	778,675	0.01	778,675	0.01	0.01	778,675
Pastel Limited	Promoter Group	1	571,908,324	55,319,888	627,228,212	10.42	627,228,212	10.42	10.29	627,228,212
Sub Total A2		3	822,193,964	80,255,167	902,449,131	15.00	902,449,131	15.00	14.81	902,449,131
A=A1+A2		4	3,059,815,632	223,659,474	3,283,475,106	54.57	3,283,475,106	54.57	53.88	3,283,475,106

Category & Name of the Shareholders	No. of shareholder	No. of fully paid-up equity shares held	Partly paid-up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of equity shares held in dematerialized form (Not Applicable)	Sub-categorization of shares (XV) Shareholding (No. of shares) under		
											Sub Category I	Sub Category II	Sub Category III
B) Public													
B1) Institutions (Domestic)													
Mutual Funds/	36	633,045,604	46,035,274	679,080,878	11.29	679,080,878	11.29		11.14	679,080,878			
SBI Long Term Advantage Fund-Series IV	1	173,481,249	18,916,607	192,397,856	3.20	192,397,856	3.20		3.16	192,397,856			
HDFC Trustee Company Ltd. A/C HDFC Capital Builder	1	74,917,164	2,281,018	77,198,182	1.28	77,198,182	1.28		1.27	77,198,182			
ICICI Prudential Nifty 50 Index Fund	1	135,967,576	9,508,098	145,475,674	2.42	145,475,674	2.42		2.39	145,475,674			
Alternate Investment Funds	63	22,869,709	1,500,512	24,370,221	0.41	24,370,221	0.41		0.40	24,370,221			
Banks	10	2,692,392		2,692,392	0.04	2,692,392	0.04		0.04	2,692,392			
Insurance Companies	37	366,362,153	36,097,534	402,459,687	6.69	402,459,687	6.69		6.60	402,459,687			
LICI Gratuity Plus Growth Fund	1	239,412,587	15,071,916	254,484,503	4.23	254,484,503	4.23		4.18	254,484,503			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid-up equity shares held	Partly paid-up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of equity shares held in dematerialized form (Not Applicable)	Sub-categorization of shares (XV) Shareholding (No. of shares) under		
											Sub Category I	Sub Category II	Sub Category III
Provident Funds/ Pension Funds	1	63,562,251	1,198,532	64,760,783	1.08	64,760,783	1.08		1.06	64,760,783			
NPS Trust A/C – UTI Retirement Solutions Limited	1	63,562,251	1,198,532	64,760,783	1.08	63,562,251	1.06		1.06	64,760,783			
Sovereign Wealth Funds	2	6,643,268	4,74,517	7,117,785	0.12	7,117,785	0.12		0.12	7,117,785			
NBFCs registered with RBI	10	1,758,786	99,308	1,858,094	0.03	1,858,094	0.03		0.03	1,858,094			
Sub Total B1	159	1,096,934,163	85,405,677	1,182,339,840	19.65	1,182,339,840	19.65		19.40	1,182,339,840			
B2) Institutions (Foreign)													
Foreign Portfolio Investors Category I	1,131	1,219,128,700	41,936,917	1,261,065,617	20.96	1,261,065,617	20.96	77,147,545	21.96	1,261,065,617			
Europacific Growth Fund	1	132,369,038	3,458,788	135,827,826	2.26	135,827,826	2.26		2.23	135,827,826			
Foreign Portfolio Investors Category II	94	103,113,252	733,039	103,846,291	1.73	103,846,291	1.73		1.70	103,846,291			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid-up equity shares held	Partly paid-up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of equity shares held in dematerialized form (Not Applicable)	Sub-categorization of shares (XV)		
											Shareholding (No. of shares) under		
											Sub Category I	Sub Category II	Sub Category III
Google International LLC	1	71,176,839		71,176,839	1.18	71,176,839	1.18		1.17	71,176,839			
Sub Total B2	1,225	1,322,241,952	42,669,956	1,364,911,908	22.68	1,364,911,908	22.68	77,147,545	23.66	1,364,911,908			
B3) Central Government/ State Government(s)/ President of India													
Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	4	8,611		8,611	0.00	8,611	0.00		0.00	8,611			
Sub Total B3	4	8,611		8,611	0.00	8,611	0.00		0.00	8,611			
B4) Non-Institutions	0	0			0.00		0.00		0.00		-	-	-
Directors and their relatives (excluding independent directors and nominee directors)	1	1,063,940		1,063,940	0.02	1,063,940	0.02		0.02	1,063,940			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid-up equity shares held	Partly paid-up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of equity shares held in dematerialized form (Not Applicable)	Sub-categorization of shares (XV) Shareholding (No. of shares) under		
											Sub Category I	Sub Category II	Sub Category III
Investor Education and Protection Fund (IEPF)	1	210,928		210,928	0.00	210,928	0.00		0.00	210,928			
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	649,505	66,427,736	13,695,500	80,123,236	1.33	80,123,236	1.33		1.31	80,121,867			
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	166	18,602,985	11,452,679	30,055,664	0.50	30,055,664	0.50		0.49	29,794,157			
Non Resident Indians (NRIs)	15,988	5,456,565	1,103,104	6,559,669	0.11	6,559,669	0.11		0.11	6,559,667			
Foreign Nationals	1	228		228	0.00	228	0.00		0.00	228			
Foreign Companies	8	21,706,112	1,958,097	23,664,209	0.39	23,664,209	0.39		0.39	23,664,204			
Bodies Corporate	3,650	26,735,203	11,560,345	38,295,548	0.64	38,295,548	0.64		0.63	38,295,540			
Any Other (specify)	6,977	2,533,777	593,616	3,127,393	0.05	3,127,393	0.05		0.05	3,127,393			
Trusts	44	310,265	57,198	367,463	0.01	367,463	0.01		0.01	367,463			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid-up equity shares held	Partly paid-up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of equity shares held in dematerialized form (Not Applicable)	Sub-categorization of shares (XV) Shareholding (No. of shares) under		
											Sub Category I	Sub Category II	Sub Category III
HUF	6,913	2,073,762	509,655	2,583,417	0.04	2,583,417	0.04		0.04	2,583,417			
Clearing Members	20	149,750	26,763	176,513	0.00	176,513	0.00		0.00	176,513			
Sub Total B4	676,297	142,737,474	40,363,341	183,100,815	3.04	183,100,815	3.04		3.00	182,837,924			
B=B1+B2+B3 +B4	677,685	2,561,922,200	168,438,974	2,730,361,174	45.38	2,730,361,174	45.38	77,147,545	46.07	2,730,098,283			

Category & Name of the Shareholders (I)	No. of shareholder (II)	No. of fully paid up equity shares held (III)	Partly paid-up equity shares held (IV)	Total no. shares held (V = III+IV)	Shareholding % calculated as per SCRR, 1957	Total shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of equity shares held in dematerialized form
C) Non Promoter – Non Public							
C1) Custodian/DR Holder	0	0			0.00		
C2) Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)	1	3,194,990	189,214	3,384,204	0.06		3,384,204
Total Non-Promoter-Non Public	1	3,194,990	189,214	3,384,204	0.06		3,384,204

Shareholding I = (C)(1)+(C)(2)							

Notes:

1. *Bharti Telecom Limited is the promoter of Bharti Airtel Limited.*

2. *Pastel Limited is a member of promoter group of Bharti Airtel Limited, in accordance with Regulation 2(1)(t) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 read with Regulation 2(1)(pp) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and is neither promoter nor a person acting in concert with promoter of Bharti Airtel Limited, Bharti Telecom Limited, under Regulation 2(1)(q) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.*

3. *Indian Continent Investment Limited is person acting in concert with Bharti Telecom Limited, promoter of Bharti Airtel Limited.*

4. *Viridian Limited is person acting in concert with Pastel Limited, member of promoter group of Bharti Airtel Limited, as mentioned above.*

5. *Pursuant to the specific provisions of the Companies (Significant Beneficial Owners) Rules, 2018, the Company has submitted the details of the Bharti Enterprises (Holding) Private Limited (holding company of Bharti Airtel Limited) with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi. In compliance with the requirement of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/ 0000000149 dated December 7, 2018, the effective holding details filed by the Company pursuant to Companies (Significant Beneficial Owners) Rules, 2018, have been included in the shareholding pattern in prescribed format.*

6. *1,063,940 fully paid equity shares held by Gopal Vittal, managing director and chief executive officer of Bharti Airtel Limited, has been disclosed under directors & their relatives category and to avoid duplication, the same has not been disclosed under key managerial personnel category.*

7. *Number of shares underlying outstanding convertible securities of Bharti Airtel Limited disclosed above is computed assuming 100% conversion of US $554.83 Million, 1.50% foreign currency convertible bonds due 2025, issued by Bharti Airtel Limited as per the terms and conditions of the issue. The initial conversion ratio and initial conversion price are subject to certain adjustments and accordingly may affect the total diluted share capital.*

Details of change in control of our Promoter

There has been no change in the control of Airtel in the last three years preceding the date of this Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account number, company identity number of our Promoter along with the address of the registrar of companies where our Promoter is registered will be submitted to the Stock Exchanges at the time of filing of this Red Herring Prospectus.

Promoter of our Promoter

The promoter of Airtel is Bharti Telecom Limited.

Corporate information

Bharti Telecom Limited was incorporated on July 29, 1985, as a public limited company under the Companies Act, 1956, with its registered office at Airtel Centre, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram -122 015, Haryana, India. The Corporate Identification Number of Bharti Telecom Limited is U32039HR1985PLC032091.

Board of Directors

The board of directors of Bharti Telecom Limited, as on the date of this Red Herring Prospectus are as follows:

Sr. No.	Name of the Director	Designation
1.	Sunil Bharti Mittal	Chairman
2.	Devendra Khanna	Managing Director
3.	Chua Sock Koong	Non-Executive Director
4.	Tao Yih Arthur Lang	Non-Executive Director
5.	Rajan Bharti Mittal	Non-Executive Director
6.	Ravi Kumar Kaushal	Independent Director
7.	Arvind Kohli	Independent Director

Shareholding Pattern

Sr. No.	Name of the shareholder	Number of equity shares	Percentage of the issued, subscribed and paid-up equity share capital (in %)
1.	Bharti Enterprises (Holding) Private Limited	1,305,663,494	50.56%
2.	Pastel Limited	828,434,416	32.08%
3.	Magenta Investment Limited	186,618,016	7.23%
4.	Singtel International Investments Private Limited	261,600,408	10.13%
5.	Indian Continent Investments Limited	2	0.00%

Change in the control of our Company

Our Promoter acquired Equity Shares of our Company on May 18, 2004 and accordingly is not the original promoter of our Company. For further details, see "*Capital Structure – 6. History of the Share Capital held by our Promoter*" on page 93.

There has been no change in the control of our Company during the last five years preceding the date of this Red Herring Prospectus.

Interests of our Promoter and common pursuits

Our Promoter is interested in our Company to the extent that (i) it is the Promoter of our Company; (ii) has the right to appoint nominee directors on the Board; (iii) certain of our KMPs and Senior Management are permanent employees of the Promoter and are being paid remuneration by the Promoter and (iv) its direct shareholding in our Company; including the dividend payable, if any, and any other distributions in respect of the Equity Shares held by it in our Company, from time to time. For details of the shareholding of our Promoter in our Company, see "*Capital Structure*" on page 90. Further, see "*Risk Factors – 28. We are dependent on our Key Managerial Personnel, Senior Management and our employees, and the loss of, or our inability to hire, retain, train, and* *motivate qualified personnel could adversely affect our business, financial condition and results of operations*" on page 52.

Except as disclosed in "*Risk Factors – 9. Any change in our relationship with our Promoter, Airtel and its affiliates, may adversely affect our reputation, business, operations, financial condition and results of operations."* on page 40, our Promoter is not interested in the properties acquired or proposed to be acquired by our Company in the three years preceding the date of filing of the Red Herring Prospectus. Our Promoter is not interested in any transaction in acquisition of land, construction of building or supply of machinery.

Our Promoter is not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion of our Company.

Except as stated in "*Related Party Transactions*" on page 339, there has been no payment of any amount or benefit given to our Promoter or the members of our Promoter Group during the two years preceding the date of filing of the Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoter or the members of our Promoter Group as on the date of filing of this Red Herring Prospectus.

Confirmations

Our Promoter has not been declared as a Wilful Defaulter or a Fraudulent Borrower.

Our Promoter and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoter is not a promoter of any other company which is debarred from accessing capital markets.

Except as disclosed in *"Outstanding Litigation and Material Developments*" on page 382, there are no outstanding legal proceedings involving our Promoter, in terms of our Materiality Policy, as on the date of this Red Herring Prospectus.

Material guarantees given by our Promoter to third parties with respect to Equity Shares of our Company

Our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

Companies and firms with which our Promoter have disassociated in the last three years

Our Promoter has not disassociated itself from any company or firm in the three years immediately preceding the date of this Red Herring Prospectus.

Promoter Group

Details of the members of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations (excluding our Promoter) are provided below:

1. Airtel (M) Telesonic Holdings (UK) Limited
2. Airtel (M) Telesonic Limited
3. Airtel (Seychelles) Limited
4. Airtel (Seychelles) Telesonic Limited
5. Airtel Africa Mauritius Limited
6. Airtel Africa Plc
7. Airtel Africa Services (UK) Limited
8. Airtel Africa Telesonic Holdings Limited
9. Airtel Africa Telesonic Limited
10. Airtel Congo RDC S.A.
11. Airtel Congo RDC Telesonic S.A.U.
12. Airtel Congo S.A.
13. Airtel Congo Telesonic Holdings (UK) Limited
14. Airtel Digital Services Holdings B.V.

15. Airtel DRC Telesonic Holdings (UK) Limited
16. Airtel Gabon S.A.
17. Airtel Gabon Telesonic Holdings (UK) Limited
18. Airtel Gabon Telesonic S.A.
19. Airtel International LLP
20. Airtel Kenya Telesonic Holdings (UK) Ltd
21. Airtel Kenya Telesonic Limited
22. Airtel Limited
23. Airtel Madagascar S.A.
24. Airtel Madagascar Telesonic Holdings (UK) Limited
25. Airtel Malawi plc
26. Airtel Mobile Commerce (Kenya) Limited
27. Airtel Mobile Commerce (Seychelles) B.V.
28. Airtel Mobile Commerce (Seychelles) Limited
29. Airtel Mobile Commerce (Tanzania) Limited
30. Airtel Mobile Commerce B.V.
31. Airtel Mobile Commerce Congo B.V.
32. Airtel Mobile Commerce DRC B.V.
33. Airtel Mobile Commerce Gabon B.V.
34. Airtel Mobile Commerce Holdings B.V.
35. Airtel Mobile Commerce Kenya B.V.
36. Airtel Mobile Commerce Limited
37. Airtel Mobile Commerce Madagascar B.V.
38. Airtel Mobile Commerce Madagascar S.A.
39. Airtel Mobile Commerce Malawi B.V.
40. Airtel Mobile Commerce Niger B.V.
41. Airtel Mobile Commerce Nigeria B.V.
42. Airtel Mobile Commerce Nigeria Limited
43. Airtel Mobile Commerce Rwanda B.V.
44. Airtel Mobile Commerce Rwanda Limited
45. Airtel Mobile Commerce Services Limited
46. Airtel Mobile Commerce Tanzania B.V.
47. Airtel Mobile Commerce Tchad B.V.
48. Airtel Mobile Commerce Tchad S.A
49. Airtel Mobile Commerce Uganda B.V.
50. Airtel Mobile Commerce Uganda Limited
51. Airtel Mobile Commerce Zambia B.V.
52. Airtel Mobile Commerce Zambia Limited
53. Airtel Money Kenya Limited
54. Airtel Money Niger S.A.
55. Airtel Money RDC S.A.
56. Airtel Money S.A.
57. Airtel Money Tanzania Limited
58. Airtel Money Transfer Limited
59. Airtel Money Trust Fund
60. Airtel Networks Kenya Limited
61. Airtel Networks Limited
62. Airtel Networks Zambia Plc
63. Airtel Niger Telesonic Holdings (UK) Limited
64. Airtel Nigeria Telesonic Holdings (UK) Ltd
65. Airtel Nigeria Telesonic Limited
66. Airtel Payments Bank Limited

67. Airtel Rwanda Limited
68. Airtel Rwanda Telesonic Holdings (UK) Limited
69. Airtel Rwanda Telesonic Limited
70. Airtel Seychelles Telesonic Holdings (UK) Limited
71. Airtel Tanzania plc
72. Airtel Tanzania Telesonic Holdings (UK) Limited
73. Airtel Tchad S.A.
74. Airtel Tchad Telesonic Holdings (UK) Limited
75. Airtel Telesonic Uganda Limited
76. Airtel Uganda Limited
77. Airtel Uganda Telesonic Holdings (UK) Limited
78. Airtel Zambia Telesonic Holdings (UK) Ltd
79. Airtel Zambia Telesonic Limited
80. AMP Solar Evolution Private Limited
81. Beetel Teletech Limited
82. Beetel Teletech Singapore Private Limited
83. Bharti Airtel (France) SAS
84. Bharti Airtel (Hong Kong) Limited
85. Bharti Airtel (Japan) Private Limited*
86. Bharti Airtel (UK) Limited
87. Bharti Airtel (USA) Limited
88. Bharti Airtel Africa B.V.
89. Bharti Airtel Chad Holdings B.V.
90. Bharti Airtel Congo Holdings B.V.
91. Bharti Airtel Developers Forum Limited
92. Bharti Airtel Gabon Holdings B.V.
93. Bharti Airtel Ghana Holdings B.V.
94. Bharti Airtel Holding (Mauritius) Limited
95. Bharti Airtel International (Mauritius) Investments Limited
96. Bharti Airtel International (Mauritius) Limited
97. Bharti Airtel International (Netherlands) B.V.
98. Bharti Airtel Kenya B.V.
99. Bharti Airtel Kenya Holdings B.V.
100. Bharti Airtel Lanka (Private) Limited
101. Bharti Airtel Madagascar Holdings B.V.
102. Bharti Airtel Malawi Holdings B.V.
103. Bharti Airtel Mali Holdings B.V.
104. Bharti Airtel Niger Holdings B.V.
105. Bharti Airtel Nigeria B.V.
106. Bharti Airtel Nigeria Holdings II B.V.
107. Bharti Airtel Overseas (Mauritius) Limited
108. Bharti Airtel RDC Holdings B.V.
109. Bharti Airtel Rwanda Holdings Limited
110. Bharti Airtel Services B.V.
111. Bharti Airtel Services Limited
112. Bharti Airtel Tanzania B.V.
113. Bharti Airtel Uganda Holdings B.V.
114. Bharti Airtel Zambia Holdings B.V.
115. Bharti International (Singapore) Pte. Ltd.
116. Bharti Telecom Limited
117. Bharti Telemedia Limited
118. Celtel (Mauritius) Holdings Limited

119. Celtel Niger S.A.
120. Channel Sea Management Company (Mauritius) Limited#
121. Congo RDC Towers S.A.
122. Dixon Electro Appliances Private Limited
123. FireFly Networks Limited
124. Gabon Towers S.A.
125. HCIL Comtel Private Limited
126. Hughes Communications India Private Limited
127. Hughes Global Education India Private Limited
128. Indian Ocean Telecom Limited
129. Indo Teleports Limited
130. Indus Towers Limited (Formerly known as Bharti Infratel Limited)
131. Lavelle Networks Private Limited
132. Mawezi RDC S.A.
133. Millicom Ghana Company Limited*
134. Mobile Commerce Congo S.A.
135. Montana International#
136. Network i2i (UK) Limited
137. Network i2i Limited
138. Nxtra Africa Data (Kenya) Limited
139. Nxtra Africa Data (Nigeria) FZE
140. Nxtra Africa Data (Nigeria) Limited
141. Nxtra Africa Data Holdings Limited
142. Nxtra Congo Data Holdings (UK) Limited
143. Nxtra Data Limited
144. Nxtra DRC Data Holdings (UK) Limited
145. Nxtra Gabon Data Holdings (UK) Limited
146. Nxtra Kenya Data Holdings (UK) Limited
147. Nxtra Nigeria Data Holdings (UK) Limited
148. OneWeb India Communications Private Limited
149. Partnership Investments Sarlu
150. RedDot Digital Limited
151. Robi Axiata Limited
152. Smartcash Payment Service Bank Limited
153. SmartX Services Limited
154. The Registered Trustees of Airtel Money Trust Fund
155. Xtelify Limited (*formerly known as Airtel Digital Limited*)

**under liquidation.*

under removal from the register of registrar of companies, Mauritius.

DIVIDEND POLICY

Our Board, pursuant to a circular resolution dated January 17, 2024, has adopted a dividend distribution policy ("**Dividend Policy**"). The declaration and payment of dividends, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act.

In terms of our Dividend Policy, the quantum of dividend, if any, and our ability to pay dividends will depend on several financial parameters / internal and external factors, including, but not limited to, financial performance including profits earned, available distributable reserves, impact of dividend pay out on our Company's return on equity while simultaneously maintaining prudent and reasonably conservative leveraging, debt repayment schedules, alternate usage of cash in order to generate significantly higher returns for Shareholders, fund requirement for contingencies, past dividend trend, macroeconomic conditions, statutory requirements, agreements with lending institutions and capital markets and any other factor as deemed fit by our Board.

The details of dividend on the Equity Shares declared and paid by our Company from January 1, 2024 until the date of this Red Herring Prospectus, during the nine months period ended December 31, 2023 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 is given below:

Particulars	From January 1, 2024 till the date of this Red Herring Prospectus	Nine months period ended December 31, 2023	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
No. of Equity Shares	500,000,000	500,000,000^	250,000,000	250,000,000	250,000,000
Face value per Equity Share (in ₹)	5	5^	10	10	10
Interim Dividend (in ₹)	Nil	Nil	Nil	Nil	Nil
Aggregate Dividend (in ₹ million)	Nil	750	Nil	Nil	Nil
Dividend per Equity Share (in ₹)	Nil	1.5^	N.A.	N.A.	N.A.
Rate of dividend (%)	N.A.	30	N.A.	N.A.	N.A.
Dividend Distribution Tax (in ₹ million)	N.A	N.A	N.A.	N.A.	N.A.
Mode of Payment of Dividend	N.A	Electronic Clearing System	N.A.	N.A.	N.A.

As certified by J. C. Bhalla & Co., Chartered Accountants pursuant to their certificate dated March 22, 2024.

^ The equity shares of the Company of face value of ₹10 each were sub-divided to equity shares of face value of ₹5 each pursuant to a resolution passed by the Board of Directors on December 28, 2023 and a resolution passed by the Shareholders on December 29, 2023. Accordingly, the issued, subscribed and paid-up capital of the Company was sub-divided from 250,000,000 equity shares of face value of ₹ 10 each to 500,000,000 equity shares of face value of ₹ 5 each. Accordingly, dividend per share has been adjusted pursuant to the sub-division.

There is no guarantee that any dividends will be declared or paid in the future. Future dividends, if any, shall depend on various factors such as our revenues, profits, cash flow, financial condition, contractual restrictions, and capital requirements of our Company and regulatory requirements. Additionally, restrictive covenants, if any, under the loans or financing arrangements our Company is currently availing or may enter to finance our fund requirements for our business activities may impact our ability to pay dividends. For further details, see "*Risk Factors – 47. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*." and "*Financial Indebtedness*" on pages 59 and 379, respectively.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

S. No.	Financial Statements
1.	Restated Financial Information

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors Bharti Hexacom Limited

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Bharti Hexacom Limited** (the "Company" or the "Issuer") which comprises of the Restated Statement of Assets and Liabilities as at December 31, 2023 and 2022 and as at March 31, 2023, 2022 and 2021, the Restated Statements of Profit and Loss (including other comprehensive loss), Restated Statement of changes in equity and the Restated Statement of Cash Flows for the nine months period ended December 31, 2023 and 2022 and for the years ended March 31, 2023, 2022 and 2021, and a summary of Material Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company (the "Board") at their meeting held on March 15, 2024 for the purpose of inclusion in the Red Herring Prospectus and the Prospectus (collectively, the "Offer Documents") prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");

    b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and

    c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").

2. The Company's management is responsible for the preparation of the Restated Financial Information which have been approved by the Board of Directors for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India (the "SEBI"), Registrar of Companies, Delhi and Haryana, BSE Limited and National Stock Exchange of India Limited ("NSE") (together, with BSE Limited, the "Stock Exchanges") in connection with the IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2.1 to the Restated Financial Information. The responsibility of the Company's board of directors includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined these Restated Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 13, 2023 in connection with the IPO;

    b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from:

    (i) the audited special purpose interim financial statements of the Company as at and for the nine months period ended December 31, 2023 (along with comparative financial information as at and for the nine months period ended December 31, 2022) prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and based on the Condensed Interim Financial Statements as at and nine months period ended December 31, 2023 and December 31, 2022, approved by the Board of Directors on February 12, 2024 and February 13, 2023 respectively (the "Special Purpose Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on March 15, 2024.

    (ii) the audited Ind AS Financial Statements of the Company as at and for the years ended March 31, 2023, 2022 and 2021, prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Ind AS Financial Statements"), which have been approved by the Board of Directors at their meeting held on May 30, 2023, May 19, 2022 and May 14, 2021 respectively.

5. For the purpose of our examination, we have relied on reports issued by us dated March 15, 2024, May 30, 2023, May 19, 2022 and May 14, 2021 in relation to the Special Purpose Interim Financial Statements of the Company as at and for the nine month period ended December 31, 2023 and Ind AS Financial Statements of the Company as at and for the years ended March 31, 2023, 2022 and 2021, respectively, as referred in Paragraph 4 above.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

    a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the nine months period ended December 31, 2022, and in the financial years ended March 31, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended December 31, 2023;

    b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

    c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. 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.

8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Condensed Interim Financial Statement and Ind AS Financial Statements mentioned in paragraph 4 above (except as described in Note 2.1 of the Restated Financial Information).

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for the purpose for inclusion in the Offer Documents to be filed with SEBI, Registrar of Companies, Delhi and Haryana, and Stock Exchanges in connection with the IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No: 117366W/W-100018)

Nilesh H. Lahoti
Partner
(Membership Number: 130054)
(UDIN: 24130054BKFRJM9887)

Place: New Delhi
Date: March 15, 2024

Bharti Hexacom Limited
Restated Statement of Assets and Liabilities
(All amounts are in millions of Indian Rupee)

	Notes	As of December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Assets						
Non-current assets						
Property, plant and equipment	**5**	42,632	39,911	40,708	38,400	39,054
Capital work-in-progress	**5**	10,571	2,911	4,563	641	707
Right-of-use assets	**32**	28,066	24,367	26,390	16,324	14,761
Intangible assets	**6**	41,982	45,516	44,643	47,612	49,222
Intangible assets under development	**6**	15,490	14,567	14,797	-	-
Financial assets						
- Investments	**7**	0	0	0	0	0
- Other financial assets	**8**	4,794	5,257	5,290	4,463	4,324
Income tax assets (net)		2,038	3,187	3,249	3,052	2,946
Deferred tax assets (net)	**9**	8,089	8,312	7,629	9,474	11,166
Other non-current assets	**10**	5,106	6,701	6,284	6,554	7,660
		158,768	**150,729**	**153,553**	**126,520**	**129,840**
Current assets						
Financial assets						
- Investments	**7**	18,358	10,311	10,460	490	-
- Trade receivables	**11**	2,316	1,474	1,489	20,958	1,429
- Cash and cash equivalents	**12**	247	337	555	885	277
- Other bank balances	**13**	342	329	332	324	315
- Other financial assets	**8**	9,743	8,961	9,119	8,787	7,988
Other current assets	**10**	6,256	7,198	7,021	8,779	10,186
		37,262	**28,610**	**28,976**	**40,223**	**20,195**
Total assets		**196,030**	**179,339**	**182,529**	**166,743**	**150,035**
Equity and liabilities						
Equity						
Equity share capital	**14**	2,500	2,500	2,500	2,500	2,500
Other equity		41,661	37,575	39,595	34,105	17,360
		44,161	**40,075**	**42,095**	**36,605**	**19,860**
Non-current liabilities						
Financial liabilities						
- Borrowings	**15**	26,923	60,649	47,299	48,078	36,926
- Lease liabilities		27,635	23,324	25,451	15,303	13,119
- Other financial liabilities	**16**	787	792	0	3	3
Deferred revenue	**21**	6,348	5,867	6,029	4,746	5,030
Provisions	**17**	224	233	234	218	210
		61,917	**90,865**	**79,013**	**68,348**	**55,288**
Current liabilities						
Financial liabilities						
- Borrowings	**15**	35,607	2,849	15,394	23,905	22,826
- Lease liabilities		4,157	3,790	3,892	3,398	4,864
- Trade payables	**18**					
-total outstanding dues of micro enterprises and small enterprises		56	46	26	20	31
-total outstanding dues of creditors other than micro enterprises and small enterprises		16,291	15,965	14,380	14,932	22,209
- Other financial liabilities	**16**	10,012	9,113	10,261	3,760	10,034
Deferred revenue	**21**	4,955	4,509	4,749	4,166	3,580
Provisions	**17**	11,746	10,822	11,032	10,256	9,583
Current tax liabilities (net)		6,208	624	624	624	692
Other current liabilities	**19**	920	681	1,063	729	1,068
		89,952	**48,399**	**61,421**	**61,790**	**74,887**
Total liabilities		**151,869**	**139,264**	**140,434**	**130,138**	**130,175**
Total equity and liabilities		**196,030**	**179,339**	**182,529**	**166,743**	**150,035**

The accompanying notes 1 to 39 form an integral part of these Restated Financial Information.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

For and on behalf of the Board of Directors of Bharti Hexacom Limited

Nilesh H. Lahoti
Partner
Membership No: 130054

Marut Dilawari
Chief Executive Officer

Soumen Ray
Director
DIN: 09484511

Jagdish Saksena Deepak
Director
DIN: 02194470

Akhil Garg
Chief Financial Officer

Richa Gupta Rohatgi
Company Secretary

Place: New Delhi
Date: March 15, 2024

Place: New Delhi

Bharti Hexacom Limited
Restated Statement of Profit and Loss
(All amounts are in millions of Indian Rupee; except per share data)

	Notes	For the nine months ended December 31, 2023	For the nine months ended December 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Income						
Revenue from operations	**21**	52,208	48,465	65,790	54,052	46,023
Other income	**21.1**	2,000	959	1,402	888	1,020
		54,208	**49,424**	**67,192**	**54,940**	**47,043**
Expenses						
Network operating expenses	**22**	12,285	11,792	15,863	14,862	14,279
Access charges		5,394	7,207	9,833	11,331	13,454
License fee / Spectrum charges		4,792	4,822	6,329	5,718	4,379
Employee benefits expense	**23**	794	690	903	764	763
Sales and marketing expenses	**24**	2,795	2,268	3,067	1,993	1,410
Other expenses	**25**	1,314	1,529	1,938	1,244	1,214
		27,374	**28,308**	**37,933**	**35,912**	**35,499**
Re-stated Profit before depreciation, amortisation, finance costs, tax and exceptional items		**26,834**	**21,116**	**29,259**	**19,028**	**11,544**
Depreciation and amortisation expenses	**26**	12,794	11,584	15,533	14,410	12,852
Finance costs	**27**	4,787	4,895	6,388	5,718	5,166
Re-stated Profit / (Loss) before exceptional items and tax		**9,253**	**4,637**	**7,338**	**(1,100)**	**(6,474)**
Exceptional items (net)	**28**	3,030	-	-	(19,511)	3,417
Re-stated Profit / (Loss) before tax		**6,223**	**4,637**	**7,338**	**18,411**	**(9,891)**
Tax expense						
Current tax	**9**	3,864	-	-	(27)	-
Deferred tax	**9**	(459)	1,164	1,846	1,692	448
		3,405	**1,164**	**1,846**	**1,665**	**448**
Re-stated Profit / (Loss) for the period / year		**2,818**	**3,473**	**5,492**	**16,746**	**(10,339)**
Other comprehensive income:						
Items not to be reclassified to profit or loss:						
Re-measurement loss on defined benefit plans		(3)	(4)	(3)	(1)	(1)
Tax credit		1	1	1	0	0
Other comprehensive (loss) for the period / year		**(2)**	**(3)**	**(2)**	**(1)**	**(1)**
Total comprehensive income / (loss) for the period / year		**2,816**	**3,470**	**5,490**	**16,745**	**(10,340)**
Earnings / (Loss) per share (Face value : Rs. 5 each)						
Basic and diluted (loss) / earnings per share^	**29**	**5.64**	**6.95**	**10.98**	**33.49**	**(20.68)**

^Re-stated Earnings / (Loss) per share are not annualised for the nine months ended December 31, 2023 and December 31, 2022.

The accompanying notes 1 to 39 form an integral part of these Restated Financial Information.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

For and on behalf of the Board of Directors of Bharti Hexacom Limited

Nilesh H. Lahoti
Partner
Membership No: 130054

Marut Dilawari
Chief Executive Officer

Soumen Ray
Director
DIN: 09484511

Jagdish Saksena Deepak
Director
DIN: 02194470

Akhil Garg
Chief Financial Officer

Richa Gupta Rohatgi
Company Secretary

Place: New Delhi
Date: March 15, 2024

Place: New Delhi

Bharti Hexacom Limited
Restated Statement of Changes in Equity

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Equity share capital		Other equity - Reserves and surplus							
	No. of shares (in '000)	**Amount**	**Securities premium**	**Retained earnings**	**General reserve**	**Capital reserve**	**Capital redemption reserve**	**Debenture redemption reserve**	**Total**	**Total equity**
As of April 1, 2020	**250,000**	**2,500**	**1,040**	**24,887**	**900**	**873**	**0**	**-**	**27,700**	**30,200**
Loss for the period	-	-	-	(10,339)	-	-	-	-	(10,339)	(10,339)
Other comprehensive loss (net of tax)	-	-	-	(1)	-	-	-	-	(1)	(1)
Total comprehensive income	-	-	-	**(10,340)**	-	-	-	-	**(10,340)**	**(10,340)**
Redemption of preference shares	-	-	-	(0)	-	-	0	-	-	-
As of March 31, 2021	**250,000**	**2,500**	**1,040**	**14,547**	**900**	**873**	**0**	**-**	**17,360**	**19,860**
Profit for the period	-	-	-	16,746	-	-	-	-	16,746	16,746
Other comprehensive loss (net of tax)	-	-	-	(1)	-	-	-	-	(1)	(1)
Total comprehensive income	-	-	-	**16,745**	-	-	-	-	**16,745**	**16,745**
As of March 31, 2022	**250,000**	**2,500**	**1,040**	**31,292**	**900**	**873**	**0**	**-**	**34,105**	**36,605**
Profit for the period	-	-	-	3,473	-	-	-	-	3,473	3,473
Other comprehensive loss (net of tax)	-	-	-	(3)	-	-	-	-	(3)	(3)
Total comprehensive income	-	-	-	**3,470**	-	-	-	-	**3,470**	**3,470**
As of December 31, 2022	**250,000**	**2,500**	**1,040**	**34,762**	**900**	**873**	**0**	**-**	**37,575**	**40,075**
Profit for the period	-	-	-	2,019	-	-	-	-	2,019	2,019
Other comprehensive income (net of tax)	-	-	-	1	-	-	-	-	1	1
Total comprehensive income	-	-	-	**2,020**	-	-	-	-	**2,020**	**2,020**
Debenture redemption reserve	-	-	-	(1,500)	-	-	-	1,500	-	-
As of March 31, 2023	**250,000**	**2,500**	**1,040**	**35,282**	**900**	**873**	**0**	**1,500**	**39,595**	**42,095**
Profit for the period	-	-	-	2,818	-	-	-	-	2,818	2,818
Other comprehensive loss (net of tax)	-	-	-	(2)	-	-	-	-	(2)	(2)
Total comprehensive income	-	-	-	**2,816**	-	-	-	-	**2,816**	**2,816**
Debenture redemption reserve	-	-	-	(2,000)	-	-	-	2,000	-	-
Dividend to shareholders	-	-	-	(750)	-	-	-	-	(750)	(750)
Impact of split of shares (Refer Note 4(iv))	250,000	-	-	-	-	-	-	-	-	-
As of December 31, 2023	**500,000**	**2,500**	**1,040**	**35,348**	**900**	**873**	**0**	**3,500**	**41,661**	**44,161**

The accompanying notes 1 to 39 form an integral part of these Restated Financial Information.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

For and on behalf of the Board of Directors of Bharti Hexacom Limited

Nilesh H. Lahoti
Partner
Membership No: 130054

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Chief Executive Officer

Soumen Ray
Director
DIN: 09484511

Jagdish Saksena Deepak
Director
DIN: 02194470

Akhil Garg
Chief Financial Officer

Richa Gupta Rohatgi
Company Secretary

Place: New Delhi
Date: March 15, 2024

Place: New Delhi

Bharti Hexacom Limited
Restated Statement of Cash Flows

(All amounts are in millions of Indian Rupee)

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Cash flows from operating activities					
Restated Profit / (Loss) before tax	**6,223**	**4,637**	**7,338**	**18,411**	**(9,891)**
Adjustments for:					
Depreciation and amortisation expenses	12,794	11,584	15,533	14,410	12,852
Finance costs	4,786	4,884	6,374	5,713	5,098
Exceptional items (net)	3,030	-	-	-	3,417
Interest income	(697)	(75)	(85)	(24)	(38)
Net gain on Fair value through profit and loss (FVTPL) Investments	(372)	(131)	(290)	(19)	(133)
Provision for doubtful debts / bad debts written off	77	370	397	261	194
Other non-cash items (net)	19	31	34	(36)	16
Operating cash flow before changes in assets and liabilities	**25,860**	**21,300**	**29,301**	**38,716**	**11,515**
Changes in assets and liabilities					
Trade receivables	(904)	19,115	19,075	(19,791)	663
Trade payables	1,806	928	(769)	(7,727)	1,236
Provisions	488	445	652	659	(872)
Other financial and non-financial liabilities	375	1,319	2,056	89	3,754
Other financial and non-financial assets	1,723	559	966	782	(789)
Net cash generated from operations before tax	**29,348**	**43,666**	**51,281**	**12,728**	**15,507**
Income tax paid - (net)	(45)	(136)	(197)	(148)	(335)
Net cash generated from operating activities (a)	**29,303**	**43,530**	**51,084**	**12,580**	**15,172**
Cash flows from investing activities					
Purchase of property, plant and equipment and capital-work-in-progress	(15,674)	(6,121)	(9,448)	(13,487)	(14,569)
Purchase of intangible assets	-	-	-	-	(9)
Proceeds from sale of property, plant and equipment	99	48	57	149	46
Purchase of current investments (net)	(7,526)	(9,690)	(9,680)	(471)	6,485
Payment towards Spectrum (including deferred payment liability)*	(352)	(1,321)	(1,321)	(41)	(828)
Interest received	697	75	83	25	50
Net cash used in investing activities (b)	**(22,756)**	**(17,009)**	**(20,309)**	**(13,825)**	**(8,825)**
Cash flows from financing activities					
Proceeds from long term borrowings	-	-	-	65,185	85,335
Repayment of long term borrowings	-	(22,500)	(24,400)	(55,968)	(64,703)
Proceeds from / (Repayment of) short-term borrowings (net)	195	(28)	(28)	(1,102)	(20,795)
Interest and other finance charges paid#	(4,041)	(2,353)	(3,855)	(2,823)	(3,409)
Payment of lease liabilities	(2,228)	(2,166)	(2,831)	(3,461)	(2,470)
Dividend paid	(750)	-	-	-	-
Net cash (used in) / generated from financing activities (c)	**(6,824)**	**(27,047)**	**(31,114)**	**1,831**	**(6,042)**
Net (decrease) / increase in cash and cash equivalents during the period (a+b+c)	**(277)**	**(526)**	**(339)**	**586**	**305**
Add : Cash and cash equivalents as at the beginning of the period	524	863	863	277	(28)
Cash and cash equivalents as at the end of the period	**247**	**337**	**524**	**863**	**277**

*Cash flows towards spectrum acquisitions are based on timing of payouts to Department of Telecommunications ('DoT') (viz upfront/deferred-refer note 4(ii)).

#Includes interest towards payment of deferred liabilities pertaining to spectrum acquired in auction of FY 2022-23.

The above Restated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".

Refer Note 33(1)(v) for the disclosure pursuant to Ind AS 7 "Statement of Cash Flows" - Changes in liabilities arising from financing activities.

The accompanying notes 1 to 39 are integral part of these Restated Financial Information.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

For and on behalf of the Board of Directors of Bharti Hexacom Limited

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Director
DIN: 02194470

Akhil Garg
Chief Financial Officer

Richa Gupta Rohatgi
Company Secretary

Place: New Delhi
Date: March 15, 2024

Place: New Delhi

1. Corporate information

Bharti Hexacom Limited ('the Company' or 'BHL') (CIN: U74899DL1995PLC067527) is domiciled and incorporated in India as a public limited company. The registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company's principal shareholders are Bharti Airtel Limited and Telecommunications Consultants India Limited. The Company provides telecom services in Rajasthan and North East telecom circles in terms of Unified License (with Access Service Authorization) granted by the Department of Telecommunications ('DoT'), Government of India ('GoI').

2. Summary of material accounting policies

2.1 Basis of preparation

These Restated Financial Information comprise of the Restated Statement of Assets and Liabilities as at December 31, 2023, December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Loss), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the nine months period ended December 31, 2023 and December 31, 2022 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the Summary of Material Accounting Policies and explanatory notes (collectively, the 'Restated Financial Information').

These Restated Financial Information have been prepared by the Management for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus (collectively, the "Offer Documents") to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), Registrar of Companies, Delhi and Haryana, National Stock Exchange of India Limited and BSE Limited and in connection with proposed Initial Public Offering ("IPO") of its equity shares of the Company through an offer for sale of equity shares held by the selling shareholder (the "Offer").

The Restated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of :

a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR") as amended; and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended (the "Guidance Note").

These Restated Financial Information have been compiled from:

a) the audited Special Purpose Interim Financial Statements as at and for the nine months period ended December 31, 2023 (along with comparative special purpose interim financial information as at and for the nine month period ended December 31, 2022) which is prepared in accordance with the recognition and measurement principles of Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as prescribed under Section 133 of the Act read with relevant rules thereunder and other accounting principles generally accepted in India and based on the Condensed Interim Financial Statements as at and nine month periods ended December 31, 2023 and December 31, 2022, approved by the Board of Directors on February 12, 2024 and February 13, 2023 respectively, (the "Special Purpose Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on March 15, 2024;

b) the audited Ind AS financial statements as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 (the "Ind AS Financial Statements") which have been approved by the Board of Directors at their meetings held on May 30, 2023, May 19, 2022 and May 14, 2021 respectively.

These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the board meetings for adoption of the Condensed Interim Financial Statements of the Company as at and for the nine month periods ended December 31, 2023 and 2022 and Ind AS Financial Statements as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

The Restated Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the nine month period ended December 31, 2022 and financial years ended March 31, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2023; and

(b) do not require any adjustment for modification as there is no modification in the underlying audit reports.

The Restated Financial Information are approved for issue by the Company's Board of Directors on March 15, 2024.

The Restated Financial Information are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III (as amended) to the Act. Further, for the purpose of clarity, various items are aggregated in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss, Restated Statement of Changes in Equity, Restated Statement of

Cash Flows and accompanying notes. Nonetheless, these items are disaggregated separately in the notes to the Restated Financial Information, where applicable or required.

All the amounts included in the Restated Financial Information are reported in millions of Indian Rupee ('Rupee' or 'Rs.') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'

The preparation of the said Restated Financial Information requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the Restated Financial Information, or areas involving a higher degree of judgement or complexity, are disclosed in note 3. The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said Restated Financial Information, except in case of adoption of any new standards and/ or amendments during the year.

New amendments adopted during the year

Amendments to Ind AS

MCA vide notification no. G.S.R. 242(E) dated March 31, 2023 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends following Ind AS (as applicable to the Company):

- Ind AS 102, Share-based Payments
- Ind AS 103, Business Combinations
- Ind AS 107, Financial Instruments: Disclosures
- Ind AS 109, Financial Instruments
- Ind AS 115, Revenue from Contracts with Customers
- Ind AS 1, Presentation of Financial Statements
- Ind AS 12, Income Taxes
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 34, Interim Financial Reporting

The amendments are applicable for annual periods beginning on or after April 1, 2023. The Company has evaluated the amendments and the impact is not material.

2.2 Basis of measurement

The Restated Financial Information have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss ('FVTPL') (refer note 2.8) which are measured at fair value.

Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or a liability can be transferred, in an orderly transaction between market participants. The Company's accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said Restated Financial Information.

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the Restated Financial Information, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, 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.

The three levels of the fair-value-hierarchy are described below:
Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets
Level 2: Significant inputs to the fair value measurement are directly or indirectly observable
Level 3: Significant inputs to the fair value measurement are unobservable

2.3 Foreign currency transactions

The Restated Financial Information are presented in Indian Rupee which is the functional and presentation currency of the Company.

Transactions in foreign currencies are initially recorded in the relevant functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the Restated Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the Restated Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the Restated Statement of Assets and Liabilities based on current / non-current classification.

Deferred tax assets and liabilities, and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

2.5 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), asset retirement obligations (refer note 2.14 (b)) and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and impairment losses, if any. When significant parts of PPE are required to be replaced at regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the Restated Statement of Assets and Liabilities and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

Cost of assets not ready for intended use, as on the Restated Statement of Assets and Liabilities date, is shown as capital work-in-progress, advances given towards acquisition of PPE outstanding at each Restated Statement of Assets and Liabilities date are disclosed under other non- current assets.

The expenditures that are incurred after the item of PPE has been available to use, such as repairs and maintenance, are normally charged to the Restated Statement of Profit and Loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful life, which is at variance with the life prescribed in Part C of Schedule II of the Act and has accordingly, depreciated the assets over such useful life. The Company has established the estimated range of useful lives for different categories of PPE as follows:

Categories	Years
Buildings	20
Building on leased land	Lease term or 20 years, whichever is less
Leasehold improvements	Lease term or 20 years, whichever is less
Plant and equipment	
- Network equipment (including passive infrastructure)	3 – 25
- Customer premise equipment	3 – 5
Computers / servers	3 – 5
Furniture & fixtures and office equipments	2 – 5
Vehicles	3 – 5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at least as at each financial year end so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the Restated Statement of Assets and Liabilities and the resulting gains / losses are included in the Restated Statement of Profit and Loss within other income / other expenses.

2.6 Intangible assets

Intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably. The intangible assets are initially recognised at cost. Those assets having finite useful life are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is computed using the straight-line method over the expected useful life of intangible assets.

The Company has established the estimated useful lives of different categories of intangible assets as follows:

a. Software

Software is amortised over the period of license, generally not exceeding five years.

b. Licenses (including spectrum)

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful lives ranges upto twenty years.

The revenue-share based fee on licenses / spectrum is charged to the Restated Statement of Profit and Loss in the period such cost is incurred.

c. Other acquired intangible assets

Other acquired intangible assets include the following:

Non-compete fee: Over the period of the agreement which ranges upto five years.

The useful lives and amortisation method are reviewed, and adjusted appropriately, at-least at each financial year end so as to ensure that the method and period of amortisation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and / or amortisation method is accounted for prospectively, and accordingly the amortisation is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development ('IAUD') includes the following:

(a) the amount of spectrum allotted to the Company and related costs (including borrowing costs) that are directly attributable to the acquisition or construction of qualifying assets (refer note 6), if any, for which services are yet to be rolled out and are presented separately in the Restated Statement of Assets and Liabilities.

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 Restated Statement of Profit and Loss when the asset is derecognised.

2.7 Impairment of non-financial assets

PPE, right-of-use assets ('ROU), intangible assets and IAUD

PPE (including Capital work-in-progress (CWIP)), ROU and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. IAUD is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value in use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the Restated Statement of Profit and Loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro rata basis.

A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Reversal of impairment losses

Impairment losses are reversed in Restated Statement of Profit and Loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU previously.

2.8 Financial instruments

a. Recognition, classification and presentation

The financial instruments are recognised in the Restated Statement of Assets and Liabilities when the Company becomes a party to the contractual provisions of the financial instrument.

The Company determines the classification of its financial instruments at initial recognition.

The Company classifies its financial assets in the following categories: a) those to be measured subsequently at fair value through profit or loss, and b) those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company has classified all the non-derivative financial liabilities as measured at amortised cost.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the Restated Statement of Assets and Liabilities, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

b. Measurement – Non derivative financial instruments

I. Initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. All financial liabilities are recognised initially at fair value, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the Statement of Profit and Loss.

II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective-interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in other income.

ii. Financial assets at fair value through profit or loss ('FVTPL')

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL. Interest (basis EIR method) from financial assets at FVTPL is recognised in the Restated Statement of Profit and Loss within other income separately from the other gains/ losses arising from changes in the fair value.

Impairment

The Company assesses on a forward looking basis the expected credit losses ('ECL') associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve months, ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

III. Subsequent measurement - financial liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant).

c. Derecognition

The financial liabilities are de-recognised from the Restated Statement of Assets and Liabilities when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the Restated Statement of Assets and Liabilities when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The difference in the carrying amount is recognised in the Restated Statement of Profit and Loss.

2.9 Leases

The Company, at the inception of a contract, assesses the contract as, or containing, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract involves the use of an identified asset, the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and the Company has the right to direct the use of the asset.

Company as a lessee

The Company recognises a ROU and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the Restated Statement of Assets and Liabilities. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate (as the rate implicit in the lease cannot be readily determined). Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments) and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the ROU, or is recorded in profit or loss if the carrying amount of the related ROU has been reduced to zero and there is a further reduction in the measurement of the lease liability.

ROU are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date and any initial direct costs less any lease incentives received.

Subsequent to initial recognition, ROU are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. The estimated useful lives of ROU are determined on the same basis as those of the underlying asset.

In the Restated Statement of Assets and Liabilities, the ROU and lease liabilities are presented separately. In the Restated Statement of Profit and Loss, interest expense on lease liabilities are presented separately from the depreciation charge for the ROU. Interest expense on the lease liability is a component of finance costs, which are presented separately in the Restated Statement of Profit and Loss. In the Restated Statement of Cash Flows, cash payments for the principal portion of lease payments and the interest portion of lease liability are presented as financing activities, and short-term lease payments and payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability, if any, as operating activities.

When a contract includes lease and non-lease components, the Company allocates the consideration in the contract on the basis of the relative stand-alone prices of each lease component and the aggregate standalone price of the non-lease components.

Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of twelve months or less and leases of low value assets. The Company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under a finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to the periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. 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.

When a contract includes lease and non-lease components, the Company applies Ind AS 115 'Revenue from Contracts with Customers' to allocate the consideration under the contract to each component.

The Company enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Restated Statement of Assets and Liabilities.

2.10 Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the Restated Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

a. Current tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognised in the Restated Statement of Assets and Liabilities under assets as income tax assets / under current liabilities as current tax liabilities.

Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. The Company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If the Company concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

b. Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Restated Financial Information. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets/ liabilities recognised for temporary differences arising from a business combination, affect the amount of goodwill or the bargain purchase gain that the Company recognises. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The Company considers the projected future taxable income and tax planning strategies in making this assessment.

The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

Income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Restated Statement of Assets and Liabilities, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relate to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

2.11 Cash and cash equivalents ('C&CE')

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of C&CE and subject to an insignificant risk of changes in value). However, for the purpose of the Restated Statement of Cash Flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of C&CE.

2.12 Equity share capital

Ordinary shares are classified as Equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

2.13 Employee benefits

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution plans, defined benefit plans, compensated absences and deferred compensation. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees. Short-term employee benefits are recognised in Restated Statement of Profit and Loss at undiscounted amounts during the period in which the related services are rendered.

a. Defined contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. The Company has no further obligations under these plans beyond its periodic contributions.

b. Defined benefit plans

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

The Company provides for the liability towards the said plans on the basis of actuarial valuation carried as at the reporting date, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the Restated Statement of Assets and Liabilities, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest expense is calculated by applying the above mentioned discount rate to defined benefits obligations. The interest expenses on the defined benefits obligations are recognised in the Restated Statement of Profit and Loss. However, the related re-measurements of the defined benefits obligations are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the Restated Statement of Profit and Loss in any of the subsequent periods.

c. Other long-term employee benefits

The employees of the Company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefits comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Company provides for the liability towards the said benefits on the basis of actuarial valuation carried as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the Restated Statement of Profit and Loss in the period in which they arise.

2.14 Provisions

a. General

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 will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to settle the relevant obligation (if the impact of discounting is significant), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to un-winding of interest over passage of time is recognised within finance costs.

b. Asset retirement obligations ('ARO')

ARO are recognised for those lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

2.15 Contingencies

A disclosure for a contingent liability is made when there is are possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.16 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. When determining the consideration to which the Company is entitled for providing promised products or services via intermediaries, the Company assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which the Company is entitled is determined to be that received from the intermediary.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

a. Service revenues

Service revenues mainly pertain to usage, subscription and customer onboarding charges for voice, data, messaging and other value added services. It also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signaling services.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Company's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

The Company recognises revenue from these services as they are provided. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services to be provided. Subscription charges are recognised over the subscription pack validity period. Customer onboarding revenue is recognised upon successful onboarding of customer i.e. upfront. Revenue in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers.

Service revenues also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services over time.

Certain business services revenues include revenue from registration and installation, which are amortised over the period of agreement since the date of activation of service.

b. Costs to obtain or fulfill a contract with a customer

The Company incurs certain costs to obtain or fulfill contracts with customers viz. intermediary commission, etc. The Company estimated that the average customer life derived from customer churn rate is longer than 12 months and hence the Company deferred such costs. Such costs are thus recognized over the average expected customer life.

c. Interest income

The interest income is recognised using the EIR method. For further details, (refer note 2.8).

2.17 Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Restated Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, PPE are included in non-current liabilities as deferred income and are credited to Restated Statement of Profit and Loss on a straight line basis over the expected lives of the related assets.

2.18 Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Company incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All the other borrowing costs are recognised in the Restated Statement of Profit and Loss within finance costs in the period in which they are incurred.

2.19 Exceptional items

Exceptional items refer to items of income or expense within the Restated Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

2.20 Earnings per share ('EPS')

The Company presents the Basic and Diluted EPS.

Basic EPS is computed by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period.

Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the year, unless issued at a later date during the period.

2.21 Dividend paid

Dividend to shareholders is recognised as a liability on the date of approval by the shareholders. However, interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

3. Key sources of estimation uncertainties and critical judgements

The estimates and judgements used in the preparation of the said Restated Financial Information are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the Restated Financial Information in the period in which they become known.

3.1 Key sources of estimation uncertainties

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

a. Useful lives of PPE

As described at note 2.5 above, the Company reviews the estimated useful lives of PPE at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Company determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges.

b. Taxes

Deferred tax assets are recognised for the unused tax losses for which there is probability of utilisation against the future taxable profit. Significant management judgement 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, future tax planning strategies and recent business performances and developments.

c. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

d. Contingent Liabilities and provisions

The Company is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Company. Management in consultation with the legal, tax and other advisers assess the likelihood that a pending claim will succeed. The Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

3.2 Critical judgement's in applying the Company's accounting policies

a. Revenue recognition and presentation

The Company assesses its revenue arrangements in order to determine if it is acting as a principal or as an agent by determining whether it has primary obligation basis pricing latitude and exposure to credit / inventory risks associated with the sale of goods / rendering of services.

In the said assessment, both the legal form and substance of the agreement are reviewed to determine each party's role in the transaction.

b. Separating lease and non-lease components

The consideration paid by the Company in telecommunication towers lease contracts include the use of land and passive infrastructure as well as maintenance, security, provision of energy services etc. Therefore in determining the allocation of consideration between lease and non-lease components, for the additional services that are not separately priced, the Company performs analysis of cost split to arrive at relative stand-alone prices of each of the components. The bifurcation of the consideration paid (excluding energy) between lease versus non-lease component across the Company has been accordingly considered at 60% as lease component on an overall basis.

c. Determining the lease term

Under Ind AS 116 if it is reasonably certain that a lease will be extended / will not be early terminated, the Company is required to estimate the expected lease period which may be different from the contractual tenure. The Company has various tower lease agreements with a right to extend / renew / terminate wherein it considers the nature of the contractual terms and economic factors to determine the lease term. After assessing such factors, the lease liability has been calculated using the remaining lease period until which significant exit penalties are payable.

d. Determining the incremental borrowing rate for lease contracts

The initial recognition of lease liabilities at present value requires the identification of an appropriate discount rate. The Company has determined the incremental borrowing rate based on considerations specific to the leases by taking consideration of the risk free borrowing rates as adjusted for country / company specific risk premiums (basis the readily available data points).

4. Significant transactions / new developments

i. As of December 31, 2023, the Company has 15,000 and 20,000 listed, unsecured, rated, redeemable non-convertible debentures ('NCD'), of the face value of Rs. 1 Mn each issued on private placement basis. These NCDs are listed on National Stock Exchange of India Limited and carries coupon rate of 6.0% and 5.9% per annum payable annually, which will be due for payment on January 19, 2024 and April 30, 2024, respectively (Refer Note 39(i)).

ii. During the year ended March 31, 2023, the Company has participated in the latest spectrum auction conducted by the DoT, Government of India and acquired 1,804 MHz spectrum of 3.5 and 26 GHz bands and selective mid and low band spectrum. This entire spectrum bank was secured for a total consideration of Rs. 14,777 for 20 years. The Company has paid first installment amounting to Rs. 1,321. The said spectrum has been allocated by the DoT on August 17, 2022. The Company shall continue to pay installment every year in August month.

iii. On October 16, 2023, the Hon'ble Supreme Court of India pronounced a judgement regarding the tax treatment of adjusted revenue linked Variable License Fee ('VLF') payable to DOT since July 1999 and held that it is capital in nature and not revenue expenditure for the purpose of computation of taxable income. This decision does not alter the total amount of VLF allowed as deduction over the license period but creates a timing difference wherein later years would have a higher deduction. This has resulted in an additional tax provision of Rs. 1,054 primarily due to change in effective tax rate on account of adoption of new tax regime. The interest charge of Rs. 2,977 on the above matter has been presented as an exceptional item (refer note 28). The above financial assessment is based on the Company's best estimate.

iv. Pursuant to a resolution passed in extra-ordinary general meeting dated December 29, 2023, shareholders have approved the split of each equity share of face value of Rs. 10 into two equity shares of face value of Rs. 5 each. Accordingly, the authorized, issued, subscribed and paid-up capital of the Company was sub-divided from 250,000,000 equity shares of face value of Rs. 10 each to 500,000,000 equity shares of face value of Rs. 5 each.

The impact of split of shares has been retrospectively considered for the computation of EPS as per the requirement of Ind AS 33.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

5. Property, plant and equipment ('PPE')

The following table presents the reconciliation of changes in the carrying value of PPE for the nine months ended December 31, 2023 and December 31, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021:

	Leasehold improvements	Buildings	Plant and equipment	Furniture & fixtures	Vehicles	Office equipments	Computer and servers	Total
Gross carrying value								
As of April 1, 2020	**89**	**156**	**80,807**	**74**	**3**	**198**	**220**	**81,547**
Additions	0	-	15,264	2	-	27	28	15,321
Disposals / adjustment	-	-	(2,219)	(0)	-	(1)	(9)	(2,229)
As of March 31, 2021	**89**	**156**	**93,852**	**76**	**3**	**224**	**239**	**94,639**
As of April 1, 2021	**89**	**156**	**93,852**	**76**	**3**	**224**	**239**	**94,639**
Additions	-	-	7,635	3	-	19	107	7,764
Disposals / adjustment	-	-	(2,202)	-	-	-	-	(2,202)
As of March 31, 2022	**89**	**156**	**99,285**	**79**	**3**	**243**	**346**	**100,201**
As of April 1, 2022	**89**	**156**	**99,285**	**79**	**3**	**243**	**346**	**100,201**
Additions	0	-	10,989	3	-	13	110	11,115
Disposals / adjustment	(0)	-	(919)	-	-	(1)	(0)	(920)
As of March 31, 2023	**89**	**156**	**109,355**	**82**	**3**	**255**	**456**	**110,396**
As of April 1, 2022	**89**	**156**	**99,285**	**79**	**3**	**243**	**346**	**100,201**
Additions	-	-	7,955	2	-	8	97	8,062
Disposals / adjustment	-	-	(541)	-	-	(1)	(0)	(542)
As of December 31, 2022	**89**	**156**	**106,699**	**81**	**3**	**250**	**443**	**107,721**
As of April 1, 2023	**89**	**156**	**109,355**	**82**	**3**	**255**	**456**	**110,396**
Additions	-	-	9,258	3	-	15	106	9,382
Disposals / adjustment	-	-	(8,968)	-	-	(1)	(0)	(8,969)
As of December 31, 2023	**89**	**156**	**109,645**	**85**	**3**	**269**	**562**	**110,809**
Accumulated depreciation								
As of April 1, 2020	**85**	**89**	**48,778**	**60**	**2**	**148**	**140**	**49,302**
Charge*	0	7	7,315	3	-	16	36	7,377
Disposals / adjustment	-	-	(1,088)	(0)	-	(1)	(5)	(1,094)
As of March 31, 2021	**85**	**96**	**55,005**	**63**	**2**	**163**	**171**	**55,585**
As of April 1, 2021	**85**	**96**	**55,005**	**63**	**2**	**163**	**171**	**55,585**
Charge	0	7	8,243	3	-	16	67	8,337
Disposals / adjustment	-	-	(2,120)	-	-	-	-	(2,120)
As of March 31, 2022	**85**	**103**	**61,129**	**66**	**2**	**179**	**238**	**61,802**
As of April 1, 2022	**85**	**103**	**61,129**	**66**	**2**	**179**	**238**	**61,802**
Charge	0	7	8,598	3	-	17	72	8,697
Disposals / adjustment	-	-	(810)	-	-	(1)	-	(811)
As of March 31, 2023	**85**	**110**	**68,917**	**69**	**2**	**195**	**310**	**69,688**
As of April 1, 2022	**85**	**103**	**61,129**	**66**	**2**	**179**	**238**	**61,802**
Additions	0	6	6,412	2	0	13	52	6,485
Disposals / adjustment	-	-	(476)	-	-	(1)	(0)	(477)
As of December 31, 2022	**85**	**109**	**67,065**	**68**	**2**	**191**	**290**	**67,810**
As of April 1, 2023	**85**	**110**	**68,917**	**69**	**2**	**195**	**310**	**69,688**
Additions	0	6	7,162	3	0	15	81	7,267
Disposals / adjustment	-	-	(8,777)	-	-	(1)	(0)	(8,778)
As of December 31, 2023	**85**	**116**	**67,302**	**72**	**2**	**209**	**391**	**68,177**
Net carrying value								
As of March 31, 2021	4	60	38,847	13	1	61	68	39,054
As of March 31, 2022	4	53	38,156	13	1	64	109	38,400
As of March 31, 2023	4	46	40,438	13	1	61	145	40,708
As of December 31, 2022	4	47	39,634	13	1	59	153	39,911
As of December 31, 2023	4	40	42,343	13	1	60	171	42,632

*It includes exceptional item of Rs. 237 with respect to plant and equipment for the year ended March 31, 2021.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The carrying value of the capital work in progress as of December 31, 2023 and December 31, 2022 is Rs 10,571 and Rs 2,911 respectively and as of March 31, 2023, March 31, 2022 and March 31, 2021 is Rs 4,563, Rs 641 and Rs 707 respectively, which mainly pertains to plant and equipments.

CWIP Ageing Schedule

The following table presents the CWIP ageing schedule as of December 31, 2023, December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021:

December 31, 2023

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9,316	1,255	-	-	10,571

December 31, 2022

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,886	25	-	-	2,911

March 31, 2023

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,535	28	-	-	4,563

March 31, 2022

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	609	23	8	1	641

March 31, 2021

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	677	26	0	4	707

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

6. Intangible assets

The following table presents the reconciliation of changes in the carrying value of intangible assets for the nine months ended December 31, 2023 and December 31, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021:

	Software	Licenses (including spectrum)	Other acquired intangibles	Total
Gross carrying value				
As of April 1, 2020	**12**	**66,435**	**45**	**66,492**
Additions	-	9	-	9
Disposals / adjustment	-	-	-	-
As of March 31, 2021	**12**	**66,444**	**45**	**66,501**
As of April 1, 2021	**12**	**66,444**	**45**	**66,501**
Additions	-	1,881	-	1,881
Disposals / adjustment	(12)	-	-	(12)
As of March 31, 2022	**-**	**68,325**	**45**	**68,370**
As of April 1, 2022	**-**	**68,325**	**45**	**68,370**
Additions	-	559	-	559
Disposals / adjustment	-	-	(4)	(4)
As of March 31, 2023	**-**	**68,884**	**41**	**68,925**
As of April 1, 2022	**-**	**68,325**	**45**	**68,370**
Additions	-	559	-	559
Disposals / adjustment	-	-	(4)	(4)
As of December 31, 2022	**-**	**68,884**	**41**	**68,925**
As of April 1, 2023	**-**	**68,884**	**41**	**68,925**
Additions	-	-	-	-
Disposals / adjustment	-	-	-	-
As of December 31, 2023	**-**	**68,884**	**41**	**68,925**
Accumulated amortisation				
As of April 1, 2020	**12**	**13,803**	**42**	**13,857**
Amortisation	-	3,421	1	3,422
As of March 31, 2021	**12**	**17,224**	**43**	**17,279**
As of April 1, 2021	**12**	**17,224**	**43**	**17,279**
Amortisation	-	3,490	1	3,491
Disposals / adjustment	(12)	-	-	(12)
As of March 31, 2022	**-**	**20,714**	**44**	**20,758**
As of April 1, 2022	**-**	**20,714**	**44**	**20,758**
Amortisation	-	3,528	0	3,528
Disposals / adjustment	-	-	(4)	(4)
As of March 31, 2023	**-**	**24,242**	**40**	**24,282**
As of April 1, 2022	**-**	**20,714**	**44**	**20,758**
Amortisation	-	2,655	0	2,655
Disposals / adjustment	-	-	(4)	(4)
As of December 31, 2022	**-**	**23,369**	**40**	**23,409**
As of April 1, 2023	-	**24,242**	**40**	**24,282**
Amortisation	-	2,660	1	2,661
Disposals / adjustment	-	-	-	-
As of December 31, 2023	**-**	**26,902**	**41**	**26,943**
Net Carrying Amount				
As of March 31, 2021	-	49,220	2	49,222
As of March 31, 2022	-	47,611	1	47,612
As of March 31, 2023	-	44,642	1	44,643
As of December 31, 2022	-	45,515	1	45,516
As of December 31, 2023	-	41,982	-	41,982

Weighted average remaining amortisation period of spectrum license as of December 31, 2023, December 31, 2022 is 12.23 and 13.20 years respectively and as of March 31, 2023, March 31, 2022 and March 31, 2021 is 12.96, 13.86 and 14.62 years, respectively.

The carrying value of Intangible Assets Under Development ('IAUD') as of December 31, 2023, December 31, 2022 is Rs. 15,490 and Rs. 14,567 respectively and as of March 31, 2023, March 31, 2022 and March 31, 2021 is Rs. 14,797, Rs. Nil and Rs. Nil respectively, which mainly pertains to spectrum.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

IAUD Ageing Schedule

As of December 31, 2023

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	923	14,567	-	-	15,490

As of December 31, 2022

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	14,567	-	-	-	14,567

As of March 31, 2023

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	14,797	-	-	-	14,797

The Company has capitalised borrowing cost of Rs. 693 and Rs. 350 during the nine months ended December 31, 2023 and December 2022 and Rs. 580, Rs. Nil and Rs. Nil during the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively. The rate used to determine the amount of borrowing costs eligible for capitalisation is 7.2% (specific borrowing) for the nine months ended December 31, 2023 and December 31, 2022 and for the year ended March 31, 2023.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

7. Investments

Non-current

	As of									
	December 31, 2023		December 31, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	No. of units	Cost	No. of units	Cost	No. of units	Cost	No. of units	Cost	No. of units	Cost
Government securities (NSC)	1	0	1	0	1	0	1	0	1	0
	1	0	1	0	1	0	1	0	1	0
Aggregate book/market value of unquoted investments		0		0		0		0		0

Current

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Investments carried at FVTPL					
Mutual funds (quoted)	8,470	10,311	10,460	490	-
Investments carried at amortised cost					
Inter-corporate deposits (unquoted)	5,192	-	-	-	-
Commercial papers (quoted)	4,696	-	-	-	-
	18,358	10,311	10,460	490	-
Aggregate book / market value of quoted investments	13,166	10,311	10,460	490	-
Aggregate book value of unquoted investments	5,192	-	-	-	-

8. Other financial assets

Non-current

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Claims recoverable*	2,463	2,925	2,956	2,176	2,044
Indemnification assets^	1,930	1,930	1,930	1,930	1,930
Security deposits	401	402	404	357	350
	4,794	**5,257**	**5,290**	**4,463**	**4,324**

Current

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Unbilled revenue (refer note 21)	416	351	354	290	178
Interest accrued on investments	8	6	8	6	6
Claims recoverable*	428	406	400	726	267
Indemnification assets^	8,787	8,132	8,289	7,671	7,103
Recoverable from related party (refer note 31)	72	48	49	54	410
Others	32	18	19	40	24
	9,743	**8,961**	**9,119**	**8,787**	**7,988**

* pertains to Universal Service Obligation Fund ('USOF') subsidy (refer note 21).

^pursuant to merger with Tata Teleservices Limited ('TTSL').

(All amounts are in millions of Indian Rupee; unless stated otherwise)

9. Income tax

The major components of Income Tax expense are:

	For the nine months ended		For the year ended		
Statement of Profit and Loss	**December 31, 2023**	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Current tax					
- Adjustments for prior periods	3,864	-	-	(27)	-
	3,864	-	-	(27)	-
Deferred tax					
- Origination & reversal of temporary differences	2,351	1,164	1,846	1,692	440
- Adjustments for prior periods	(2,810)	-	-	-	8
	(459)	1,164	1,846	1,692	448
Income tax expense	**3,405**	**1,164**	**1,846**	**1,665**	**448**
Statement of Other Comprehensive Income					
Amounts recognised in Other Comprehensive Income					
-Re-measurement gain on defined benefit plans	(1)	(1)	(1)	(0)	(0)
Deferred Tax credited to Other Comprehensive Income	**(1)**	**(1)**	**(1)**	**(0)**	**(0)**

The reconciliation between the amount computed by applying the statutory income tax rate to the Profit before tax and income tax expense is summarised below:

	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Profit / (loss) before tax	6,223	4,637	7,338	18,411	(9,891)
Tax charge / (credit) @ 25.168%	1,566	1,167	1,847	4,634	(2,490)
Effect of:					
Adjustment in respect to current income tax of previous years	3,864	-	-	-	8
Adjustment in respect to deferred tax of previous periods	(2,810)	-	-	-	-
Business losses against which deferred tax (reinstated)/reversed based on projections	-	-	-	(1,699)	1,699
Recognition of previously unrecognised losses and deductible temporary differences	-	-	(1)	(1,235)	1,235
Expense not deductible (net)	785	(3)	-	(8)	(4)
Impact of tax amnesty scheme	-	-	-	(27)	-
Income tax expense	**3,405**	**1,164**	**1,846**	**1,665**	**448**

The analysis of deferred tax assets / (liabilities) is as follows:

	As of		As of		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Deferred tax asset / (liabilities)					
Trade receivables	535	499	500	477	501
Provision for employee benefits	21	19	18	17	20
Variable license fees	3,280	-	-	-	-
Fair valuation of financial instruments and exchange differences	(13)	(4)	(11)	-	-
Property, Plant and Equipments, Intangible assets and leases	639	219	234	29	156
Government grants	997	682	722	530	703
Payables and non financial liability	873	861	806	811	751
Carry forward losses	1,757	6,036	5,360	7,610	9,035
Net deferred tax asset	**8,089**	**8,312**	**7,629**	**9,474**	**11,166**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Deferred tax income / (expense)					
Trade receivables	35	23	23	(25)	22
Carry forward losses	-	-	(2,251)	(1,424)	(1,211)
Provision for employee benefits	3	1	1	(3)	-
Variable license fees	3,280	-	-	-	-
Fair valuation of financial instruments and exchange differences	(2)	(4)	(11)	-	-
Property, Plant and Equipments, Intangible assets and leases	401	190	205	(127)	-
Government grant	276	152	192	(173)	276
Payables and non financial liability	62	46	(5)	60	465
Others	(3,596)	(1,572)	-	-	-
Net deferred tax expense	**459**	**(1,164)**	**(1,846)**	**(1,692)**	**(448)**

The movement in deferred tax assets / (liabilities) during the period / year is as follows:

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	**7,629**	**9,474**	**9,474**	**11,166**	**11,614**
Tax expense recognised in Statement of Profit or Loss	(2,351)	(1,164)	(1,846)	(1,692)	(448)
Adjustment in respect to deferred tax of previous years	2,810	-	-	-	-
Others	-	3	-	-	-
Tax expense recognised in OCI	1	(1)	1	0	0
Closing balance	**8,089**	**8,312**	**7,629**	**9,474**	**11,166**

Deferred tax assets are recognised to the extent, it is probable that taxable profit will be available against which the deductible temporary differences and carry forward tax losses / credits (including capital losses) can be utilised. Accordingly, based on analysis of recoverability of Deferred Tax Assets and updated business projections, deferred tax assets on losses of Rs. 6,750 reversed during March 31, 2021 have been reinstated in March 31, 2022. Also, deferred tax not created in relation to losses and deductible temporary differences of Rs. 4,906 during March 31, 2021 have been reinstated in March 31, 2022.

Further, the company has not recognised deferred tax assets in respect of business combination losses and unabsorbed depreciation in relation to Tata Tele Services Limited amounting to Rs. 3,771 (December 31, 2022: 4,249, March 31, 2023: 3,771, March 31, 2022: Rs. 4,249, March 31, 2021: 4,796) (including Rs. 1,919 (December 31, 2022: Rs. 1,919, March 31, 2023: Rs. 1,919, March 31, 2022: Rs. 1,919, March 31, 2021: Rs. 1,919) towards unabsorbed depreciation) as of March 31, 2023.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

The expiry schedule of the above mentioned losses is as follows:

	As of		As of		
Expiry date	**December 31, 2023**	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Within five periods	1,852	2,213	1,852	2,213	2,315
Above five periods	-	117	-	117	7,329
Unlimited	1,919	1,919	1,919	1,919	6,808

10. Other assets

Non-current

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Advances (net)*	316	272	272	266	262
Cost to obtain a contract with a customer (refer note 21)	1,415	1,496	1,508	1,197	810
Capital advance	44	118	123	-	833
Taxes recoverable#	545	1,482	1,200	1,261	1,275
Prepaid expenses	2,721	3,239	3,094	3,718	4,346
Rent equalisation	44	73	66	91	113
Others	21	21	21	21	21
	5,106	**6,701**	**6,284**	**6,554**	**7,660**

Current

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Taxes recoverable#	3,447	4,559	4,367	6,431	8,422
Advances to suppliers (net)**	214	293	232	427	495
Prepaid expenses	694	753	728	848	856
Deposit with government authorities	-	7	7	7	-
Cost to obtain a contract with a customer (refer note 21)	1,894	1,582	1,682	1,062	409
Others	7	4	5	4	4
	6,256	**7,198**	**7,021**	**8,779**	**10,186**

* Advances represent payments made to various Government authorities under protest and are disclosed net of provision.

Taxes recoverable primarily include Goods & Services Tax ('GST') and customs duty.

** Advance to suppliers are disclosed net of allowance of Rs. 97 and Rs. 88 as of December 31, 2023 and December 31, 2022 and Rs. 89, Rs. 76 and Rs. 75 as of March 31, 2023, March 31, 2022 and March 31, 2021, respectively.

11. Trade receivables

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Trade receivable considered good - unsecured*	4,082	3,118	3,128	22,538	3,103
Less: Allowances for doubtful receivables	(1,766)	(1,644)	(1,639)	(1,580)	(1,674)
	2,316	**1,474**	**1,489**	**20,958**	**1,429**

* It includes amount due from related parties (refer note 31)

Refer note 33 (1) (iv) for credit risk

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Movement in allowances for doubtful receivables is as follows:

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	1,639	1,580	1,580	1,674	1,487
Additions / (written back)	127	64	59	(94)	187
Closing balance	**1,766**	**1,644**	**1,639**	**1,580**	**1,674**

Trade receivable

The following table presents the trade receivable ageing as of December 31, 2023, December 31, 2022 and March 31, 2023, March 31, 2022 and March 31, 2021:

December 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	1,596	607	109	87	68	1,190	3,657
(ii) Disputed Trade receivables — considered good	-	-	-	-	-	65	65
(iii) Disputed Trade receivables — credit impaired	-	-	-	-	-	360	360
Less: Allowance for doubtful receivables							(1,766)
Total Trade receivables							**2,316**

December 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	621	566	136	18	172	1,180	2,693
(ii) Disputed Trade receivables — considered good	-	-	-	-	-	65	65
(iii) Disputed Trade receivables — credit impaired	-	-	-	-	-	360	360
Less: Allowance for doubtful receivables							(1,644)
Total Trade receivables							**1,474**

March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	788	502	89	76	69	1,179	2,703
(ii) Disputed Trade receivables — considered good	-	-	-	-	-	65	65
(iii) Disputed Trade receivables — credit impaired	-	-	-	-	-	360	360
Less: Allowance for doubtful receivables							(1,639)
Total Trade receivables							**1,489**

March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	20,091	533	30	168	98	1,193	22,113
(ii) Disputed Trade receivables — considered good	-	-	-	-	-	65	65
(iii) Disputed Trade receivables — credit impaired	-	-	-	-	-	360	360
Less: Allowance for doubtful receivables							(1,580)
Total Trade receivables							**20,958**

March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	150	699	396	275	541	617	2,678
(ii) Disputed Trade receivables — considered good	-	-	-	-	-	65	65
(iii) Disputed Trade receivables — credit impaired	-	-	0	-	7	353	360
Less: Allowance for doubtful receivables							(1,674)
Total Trade receivables							**1,429**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

12. Cash and cash equivalents ('C&CE')

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Balances with banks					
- On current accounts	32	76	82	17	67
- Bank deposits with original maturity of 3 months or less	215	261	473	868	210
Cash on hand	0	0	0	0	0
	247	**337**	**555**	**885**	**277**

13. Other bank balances

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Margin money*	350	335	340	330	321
Less :- Interest accrued (refer note 8)	8	6	8	6	6
	342	**329**	**332**	**324**	**315**

*Margin money represents amount given as collateral for legal cases and / or bank guarantees for disputed matter.

For the purpose of Restated Statement of Cash Flows, Cash and Cash equivalents comprise the following:-

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
C&CE as per balance sheet	247	337	555	885	277
Bank overdraft	-	-	(31)	(22)	-
	247	**337**	**524**	**863**	**277**

14. Equity share capital

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Authorised shares					
500,000,000 equity shares of Rs 5 each (December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021: 250,000,000 equity shares of Rs 10 each) (Refer Note 4(iv))	2,500	2,500	2,500	2,500	2,500
520 preference shares of Rs 100 each	0	0	0	0	0
	2,500	**2,500**	**2,500**	**2,500**	**2,500**
Issued, subscribed and fully paid-up shares					
500,000,000 equity shares of Rs 5 each (December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021: 250,000,000 equity shares of Rs 10 each) (Refer Note 4(iv))	2,500	2,500	2,500	2,500	2,500
	2,500	**2,500**	**2,500**	**2,500**	**2,500**

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year/period

	For the nine months ended				For the year ended					
	December 31, 2023		December 31, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	No. of shares (in '000)	Amount	No. of shares (in '000)	Amount	No. of shares (in '000)	Amount	No. of shares (in '000)	Amount	No. of shares (in '000)	Amount
At the beginning of the period	250,000	2,500	250,000	2,500	250,000	2,500	250,000	2,500	250,000	2,500
Issued on account of split off of shares during the period (Refer Note 4(iv))	250,000	-	-	-	-	-	-	-	-	-
Issued during the period	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period	**500,000**	**2,500**	**250,000**	**2,500**	**250,000**	**2,500**	**250,000**	**2,500**	**250,000**	**2,500**

b. Rights, Preferences and restricitons attached to shares

The Company has only one class of equity shares having par value of Rs. 5 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

c. Details of shares held by the holding company and shareholders (as per the register of shareholders) holding more than 5% shares in the Company

	As of									
	December 31, 2023		December 31, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	No of shares (in '000)	% holding	No of shares (in '000)	% holding	No of shares (in '000)	% holding	No of shares (in '000)	% holding	No of shares (in '000)	% holding
Equity shares of Rs 5 each fully paid up (December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021: Rs 10 each) (Refer Note 4(iv))										
Bharti Airtel Limited, the holding company	350,000	70%	175,000	70%	175,000	70%	175,000	70%	175,000	70%
Telecommunications Consultants India Limited	150,000	30%	75,000	30%	75,000	30%	75,000	30%	75,000	30%

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

d. Shareholding of promoters#

S No.	Promoter Name	As of April 1, 2023 No. of shares '000	As of April 1, 2023 % of total shares	As of December 31, 2023 No. of shares '000	As of December 31, 2023 % of total shares	% Change during the period
1	Bharti Airtel Limited*	175,000	70.00	350,000	70.00	-

S No.	Promoter Name	As of April 1, 2022 No. of shares '000	As of April 1, 2022 % of total shares	As of December 31, 2022 No. of shares '000	As of December 31, 2022 % of total shares	% Change during the period
1	Bharti Airtel Limited*	175,000	70.00	175,000	70.00	-

S No.	Promoter Name	As of April 1, 2020 No. of shares '000	As of April 1, 2020 % of total shares	As of March 31, 2021 No. of shares '000	As of March 31, 2021 % of total shares	% Change during the period
1	Bharti Airtel Limited*	175,000	70.00	175,000	70.00	-

S No.	Promoter Name	As of April 1, 2021 No. of shares '000	As of April 1, 2021 % of total shares	As of March 31, 2022 No. of shares '000	As of March 31, 2022 % of total shares	% Change during the period
1	Bharti Airtel Limited*	175,000	70.00	175,000	70.00	-

S No.	Promoter Name	As of April 1, 2022 No. of shares '000	As of April 1, 2022 % of total shares	As of March 31, 2023 No. of shares '000	As of March 31, 2023 % of total shares	% Change during the period
1	Bharti Airtel Limited*	175,000	70.00	175,000	70.00	-

* 5 shares held by nominees

For the purpose of disclosure, definition of promoter as per Companies Act, 2013 has been considered.

e. Dividend

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A Proposed Dividend					
Proposed dividend for FY 2022-23 : Rs 3 per share	-	-	750	-	-
	-	-	750	-	-

It represents dividend of Rs. 3 per equity share of face value of Rs. 10 each. The proposed dividend for FY 2022-23 was approved by shareholders at the Annual General Meeting held on December 29, 2023.

f. Reserve and surplus

i. **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company, re-measurement differences on defined benefit plans and any transfer from general reserve.

ii. **Securities premium :** Securities premium is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of the Act

(All amounts are in millions of Indian Rupee; unless stated otherwise)

iii. **General reserve:** The Company has transferred a portion of its profit before declaring dividend in respective prior years to general reserve, as stipulated under the erstwhile Companies Act 1956. Mandatory transfer to general reserve is not required under the Act.

iv. **Capital reserve:** It pertains to capital reserve acquired pursuant to the scheme of arrangement under the Act accounted under pooling of interest method and excess of purchase consideration over fair value of net assets (for certain business combinations).

v. **Capital redemption reserve:** The Company has created this reserve on redemption of redeemable preference shares out of the profits, as stipulated under the Act.

vi. **Debenture redemption reserve:** The Company has created this reserve for redemption of debentures, as stipulated under the Act. Reclassified from retained earnings for previous periods, as applicable.

15. Borrowings

Non-current

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Unsecured					
Term loans	-	-	-	-	12,450
Deferred payment liabilities	28,550	26,843	28,299	13,144	11,169
Non convertible debentures*	36,641	36,608	36,228	35,824	15,132
	65,191	**63,451**	**64,527**	**48,968**	**38,751**
Less: Interest accrued	(2,856)	(2,802)	(1,865)	(890)	(1,512)
Less: Current maturities of long-term borrowings	(35,412)	-	(15,363)	-	(313)
	26,923	**60,649**	**47,299**	**48,078**	**36,926**

Current

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Unsecured					
Term loans#	195	-	-	18	9,118
Commercial papers	-	1,891	-	23,865	13,456
Bank overdraft	-	-	31	22	-
	195	**1,891**	**31**	**23,905**	**22,513**
Current maturities of long term borrowings					
Unsecured					
Non convertible debentures*	34,993	-	14,970	-	-
Deferred payment liabilities	419	958	393	-	313
	35,412	**958**	**15,363**	**-**	**313**
				23,905	**22,826**
	35,607	**2,849**	**15,394**	**23,905**	**22,826**

* Refer note 4(i)

#includes working capital demand loans of Rs. 195, Rs. 18 and Rs. 458 as on December 31, 2023, March 31, 2022 and March 31, 2021 respectively.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Analysis of borrowings

The details given below are gross of debt origination cost.

15.1 Maturity of borrowings, interest rate and currency of borrowings

Borrowings are at floating and fixed rate of interest. The table below summarises the maturity profile and interest rates of the Company's borrowings based on contractual undiscounted payments.

Borrowings	Interest rate (range)	As of December 31, 2023	Maturity Profile				Terms of repayment
			Within one year	between one and two years	between two and five years	Over five years	
Term Loan	9.2%	195	195	-	-	-	1 installment, payable on due date
Non-Convertible debentures	5.9% - 6.0%	35,000	35,000	-	-	-	Bullet payment, payable on due date
Deferred payment liabilities for spectrum	7.2%-7.3%	14,263	419	449	1,550	11,845	16 to 18 installments, payable annual
Deferred payment liability	8.0%	13,078	-	-	4,574	8,504	6 installments, payable annual
Total		**62,536**	**35,614**	**449**	**6,124**	**20,349**	

Borrowings	Interest rate (range)	As of December 31, 2022	Maturity Profile				Terms of repayment
			Within one year	between one and two years	between two and five years	Over five years	
Commercial Papers	5.3%	1,900	1,900	-	-	-	Bullet payment, payable on due date
Non-Convertible debentures	5.9% - 6.0%	35,000	-	35,000	-	-	Bullet payment, payable on due date
Deferred payment liabilities for spectrum	7.2%-7.3%	14,536	353	378	1,407	12,398	16 to 19 installments, payable annual
Deferred payment liability	8.0%	12,109	-	-	2,149	9,960	6 installments, payable annual
Total		**63,545**	**2,253**	**35,378**	**3,556**	**22,358**	

Borrowings	Interest rate (range)	As of March 31, 2023	Maturity Profile				Terms of repayment
			Within one year	between one and two years	between two and five years	Over five years	
Bank Overdraft	8.2%	31	31	-	-	-	Payable on demand
Non-Convertible debentures	5.9%-6.0%	35,000	15,000	20,000	-	-	Bullet payment, payable on due date
Deferred payment liabilities for spectrum	7.2%-7.3%	14,615	393	422	1,456	12,344	16 to 19 installments, payable annual
Deferred payment liability	8.0%	13,078	-	-	5,101	7,977	6 installments, payable annual
Total		**62,724**	**15,424**	**20,422**	**6,557**	**20,321**	

Borrowings	Interest rate (range)	As of March 31, 2022	Maturity Profile				Terms of repayment
			Within one year	between one and two years	between two and five years	Over five years	
Term Loan	7.3%	18	18	-	-	-	1 installment, payable on due date
Bank Overdraft	7.6%	22	22	-	-	-	Payable on demand
Commercial Papers	4.5% - 5.3%	24,400	24,400	-	-	-	Bullet payment, payable on due date
Non-Convertible debentures	5.9%-6.0%	35,000	-	15,000	20,000	-	Bullet payment, payable on due date
Deferred payment liabilities for spectrum	7.3%	1,081	-	-	102	979	16 installments, payable annual
Deferred payment liability	8.0%	12,060	-	-	1,175	10,885	6 installments, payable annual
Total		**72,581**	**24,440**	**15,000**	**21,277**	**11,864**	

Borrowings	Interest rate (range)	As of March 31, 2021	Maturity Profile				Terms of repayment
			Within one year	between one and two years	between two and five years	Over five years	
Term Loan	6.2%	5,000	-	2,000	3,000	-	8 installments, payable quarterly on due date
Term Loan	6.2%	5,451	-	1,363	4,088	-	6 installments, payable half yearly on due date
Term Loan	6.2%	2,000	-	500	1,500	-	Bullet payment, payable on due date
Term Loan	4.3% - 6.0%	8,600	8,600	-	-	-	Bullet payment, payable on due date
Term Loan	7.5% - 9.0%	458	458	-	-	-	Bullet payment, payable on due date
Commercial Papers	4.2% - 4.68%	13,650	13,650	-	-	-	Bullet payment, payable on due date
Non-Convertible debentures	6.0%	15,000	-	-	15,000	-	Bullet payment, payable on due date
Deferred payment liability	8.0%	9,829	326	266	2,592	6,645	Annual
Total		**59,988**	**23,034**	**4,129**	**26,180**	**6,645**	

	Weighted average rate of interest	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	6.7%	62,536	195	62,341
December 31, 2023		62,536	195	62,341
INR	6.6%	63,545	-	63,545
December 31, 2022		63,545	-	63,545
INR	6.7%	62,724	31	62,693
March 31, 2023		62,724	31	62,693
INR	5.9%	72,045	18	72,027
March 31, 2022		72,045	18	72,027
INR	5.9%	59,792	21,507	38,285
March 31, 2021		59,792	21,507	38,285

(All amounts are in millions of Indian Rupee; unless stated otherwise)

16 Others financial liabilities

Non-current

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Interest accrued (refer note 15)	787	792	0	3	3
	787	**792**	**0**	**3**	**3**

Current

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Payable against capital expenditure	7,518	6,623	7,963	2,297	8,015
Security deposits	241	236	237	221	223
Dues to employees	27	26	31	28	33
Interest accrued (refer note 15)	2,069	2,010	1,865	887	1,570
Others*	157	218	165	327	193
	10,012	**9,113**	**10,261**	**3,760**	**10,034**

* It mainly includes payable against certain unclaimed liabilities with respect to distributors.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

17 Provisions

Non-current

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Asset retirement obligations	179	193	195	171	161
Gratuity	42	37	36	42	45
Other employee benefit plans	3	3	3	5	4
	224	**233**	**234**	**218**	**210**

Current

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Gratuity	12	13	13	7	12
Other employee benefit plans	21	19	19	19	22
Sub judice matters	11,713	10,790	11,000	10,230	9,545
Others	-	-	-	-	4
	11,746	**10,822**	**11,032**	**10,256**	**9,583**

Refer note 23 for movement of provision towards various employee benefits.

The movement of provision towards assets retirement obligations is as below:

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Opening Balance	195	171	171	161	191
Net additions	(6)	5	7	1	(6)
Net interest costs	(10)	17	17	9	(24)
Closing	**179**	**193**	**195**	**171**	**161**

The provision for asset retirement obligation is in relation to the site restoration related obligation arising from the land taken on lease and represent the management's best estimate of the costs which will be incurred in the future to meet the Company's obligation under these lease arrangements.

The movement of provisions towards sub-judice matters is as below:

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Opening	11,000	10,230	10,230	9,545	20,310
Provision made during the period	713	561	770	813	517
Transferred to deferred payment liability	-	-	-	-	(10,782)
Adjustment to advances	-	-	-	-	(500)
Payment	-	-	-	(128)	-
Closing	**11,713**	**10,791**	**11,000**	**10,230**	**9,545**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

18 Trade payable

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Dues to micro and small enterprises	56	46	26	20	31
Others*	16,291	15,965	14,380	14,932	22,209
	16,347	**16,011**	**14,406**	**14,952**	**22,240**

* Trade payables includes dues to related parties (refer note 31).

Micro, Small & Medium Enterprises Development Act, 2006 ('MSMED') disclosure

The dues to micro and small enterprises as required under the MSMED Act, 2006 based on the information available with the Company is given below –

		For the nine months ended		For the year ended ended		
Sr No	**Particulars**	**December 31, 2023**	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
1	Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period	56	46	26	20	31
2	Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-	-	-	-
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006.	-	-	-	-	-
4	Amount of interest accrued and remaining unpaid at the end of each accounting period;	-	-	-	-	-
5	Amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-	-	-

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

Trade payable ageing

The following table presents the trade payable ageing as of December 31, 2023, December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021:

December 31, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises (A)	-	47	8	0	0	1	56
(ii) Others (B)	8,315	3,051	77	8	3	107	11,561
(iii) Disputed dues to micro and small enterprises (C)	-	-	-	-	-	-	-
(iv) Disputed dues – Others (D)	-	0	185	386	505	3,655	4,731
Total dues to micro and small enterprises (A + C)							56
Total Others (B + D)							16,291

December 31, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises (A)	-	46	0	0	0	0	46
(ii) Others (B)	8,467	2,850	32	4	72	84	11,509
(iii) Disputed dues to micro and small enterprises (C)	-	-	-	-	-	-	-
(iv) Disputed dues – Others (D)	-	0	315	495	1,471	2,175	4,456
Total dues to micro and small enterprises (A + C)							46
Total Others (B + D)							15,965

March 31, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises (A)	-	25	-	-	-	1	26
(ii) Others (B)	8,309	1,585	15	2	72	83	10,067
(iii) Disputed dues to micro and small enterprises (C)	-	-	-	-	-	-	-
(iv) Disputed dues – Others (D)	-	1	24	371	1,136	2,781	4,313
Total dues to micro and small enterprises (A + C)							26
Total Others (B + D)							14,380

March 31, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises (A)	-	15	3	1	1	0	20
(ii) Others (B)	8,154	919	1,557	88	33	54	10,805
(iii) Disputed dues to micro and small enterprises (C)	-	-	-	-	-	-	-
(iv) Disputed dues – Others (D)	-	1	616	936	786	1,788	4,127
Total dues to micro and small enterprises (A + C)							20
Total Others (B + D)							14,932

March 31, 2021

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises (A)	-	9	19	2	1	0	31
(ii) Others (B)	9,005	581	6,727	1,634	545	42	18,534
(iii) Disputed dues to micro and small enterprises (C)	-	-	-	-	-	-	-
(iv) Disputed dues – Others (D)	-	1	1,652	271	226	1,525	3,675
Total dues to micro and small enterprises (A + C)							31
Total Others (B + D)							22,209

19 Other current liabilities

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Taxes payable*	678	489	854	729	1,068
Advance from subscribers	242	192	209	-	-
	920	**681**	**1,063**	**729**	**1,068**

* Taxes payable mainly pertains to GST and payable towards sub-judice matters.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

20 Contingencies and commitments

(I) Contingent liabilities

Claims against the company not acknowledged as debt:

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)					
- Service tax and GST	787	904	686	626	575
- Income tax	645	645	645	645	645
- Entry tax	-	-	-	-	185
- DoT demands	1,194	1,174	1,175	1,172	1,136
- Other miscellaneous demands	21	21	21	21	21
(ii) Claims under legal cases including arbitration matters					
- Access Charges / port Charges	65	65	65	65	65
- Others	41	34	40	36	36
	2,753	2,843	2,632	2,565	2,663

The category wise details of the contingent liabilities has been given below:-

a) Service tax and GST

The Company has received demands from service tax authorities in relation to CENVAT not reversed on sim card removal, CENVAT claimed on tower and related material, applicability of service tax on License Fees and Spectrum Usage Charges paid to DOT for the quarter ended June 30, 2017.

The Company has received show cause notice from GST authorities on availment of Transitional Credit of Capital Goods.

b) Income tax demand

Income tax demands mainly include the appeals filed by the Company before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin.

c) DOT demands

DOT demands mainly includes:

(i) Demands for the contentious matters in respect of subscriber verification guidelines including validity of certain documents allowed as proof of address / identity. TDSAT has granted interim stay on the demand notices and the matters are pending for adjudication.

(ii) DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency.

The Company had challenged the matter in TDSAT and it has set aside the respective circulars of DoT vide its Judgement dated April 22, 2010. Thereafter, DoT has challenged the order of TDSAT before the Hon'ble Supreme Court, which is pending for adjudication. An amount of Rs. 595 which pertains to pre-migration to Unified License 'UL' / Unified access Service License 'UASL' is disclosed as contingent liability as on December 31, 2023.

In addition to the amounts disclosed in the table above, the contingent liability on DOT matters includes the following:

In respect of levy of one time spectrum charge ('OTSC'), the DoT has raised demand on the Company in January 2013. The Company challenged the OTSC demand and High Court of Bombay vide its order dated January 28, 2013, stayed the enforcement of the demand and directed DoT not to take any coercive action. The DoT has filed its reply and this matter is currently pending before High Court of Bombay. The DoT has issued revised demands on the Company aggregating Rs. 4,737 in June 2018, including a retrospective charge and a prospective charge till the expiry of the initial terms of the respective licenses. The said revised demand has subsequently also been brought within the ambit of the earlier order of no coercive action by the High Court of Bombay. The Company intends to continue to pursue its legal remedies.

Further, in a similar matter on a petition filed by another telecom service provider, the TDSAT, vide its judgement dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect. Accordingly, as per the said order of the TDSAT; DoT can levy OTSC on the Spectrum beyond 6.2 MHz allotted after July 1, 2008, only from the date of allotment of such spectrum and in case of Spectrum beyond 6.2 MHz allotted before July 1, 2008, only prospectively i.e. w.e.f. January 1, 2013.

Further, demand for OTSC on spectrum allotted beyond start-up and up-to the limit of 6.2 MHz has been set aside. The TDSAT has asked DoT to issue revise demands, if any, in terms of the above directions. The said telecom service provider filed an appeal before the Supreme Court against the judgment passed by TDSAT. On March 16, 2020, the Supreme Court dismissed the appeal of the telecom service providers and did not interfere with the TDSAT judgement. Thereafter, the Telecom service provider had filed a review petition against the judgement dated March 16, 2020. The Supreme Court allowed the review petition and restored the telecom service provider appeal. The matter is pending adjudication before the Supreme Court.

DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. The Supreme Court vide order dated August 21, 2020, stayed the TDSAT judgement July 4, 2019 in a case of another telecom service provider. The Supreme Court, vide order dated December 7, 2020, directed status quo to be maintained in case of another telecom service provider.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

On account of prudence, of the total demands of Rs. 4,737, the Company had recorded a charge of Rs. 160 for the year ended March 31, 2020 and along with interest thereon till December 31, 2023 amounting to Rs. 721. Balance demand amount of Rs. 4,577 has continued as contingent liability.

Considering the nature of above disputes/ litigations, it is difficult to reliably ascertain the amount or timing of outflow on settlement.

(II) Commitments

Capital commitments

The Company has contractual commitments towards capital expenditure (net of related advances paid) of Rs. 6,605 and Rs. 16,717 as of December 31, 2023 and December 31, 2022 respectively and Rs. 15,678, Rs. 4,059 and Rs. 4,654 (including Rs. 1,048 towards spectrum) as of March 31, 2023, March 31, 2022 and March 31, 2021, respectively.

21 Revenue from operations

	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Service revenue	52,208	48,465	65,790	54,052	46,023
	52,208	**48,465**	**65,790**	**54,052**	**46,023**

Disaggregation of revenue

Revenue is disaggregated by geographical market, major products / service lines and timing of revenue recognition as follows:

	For the year ended								
	Mobile Services			Home and Office Services			Total		
Particulars	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Geographical Markets									
India	64,156	52,931	45,241	1,543	1,076	723	65,699	54,007	45,964
Outside India	91	45	59	-	-	-	91	45	59
	64,247	52,976	45,300	1,543	1,076	723	65,790	54,052	46,023
Major products / Service lines									
Data and Voice Services	63,143	51,939	44,281	1,522	1,058	705	64,665	52,997	44,986
Others	1,104	1,037	1,019	21	18	18	1,125	1,055	1,037
	64,247	52,976	45,300	1,543	1,076	723	65,790	54,052	46,023
Timing of Revenue Recognition									
Services transferred at a point in time	61	3	8	5	6	5	66	9	13
Services transferred over time	64,186	52,973	45,292	1,538	1,070	718	65,724	54,043	46,010
	64,247	52,976	45,300	1,543	1,076	723	65,790	54,052	46,023

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the nine months ended					
	Mobile Services		Home and Office Services		Total	
Particulars	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Geographical Markets						
India	50,613	47,301	1,512	1,111	52,125	48,412
Outside India	83	53	-	-	83	53
	50,696	47,354	1,512	1,111	52,208	48,465
Major products / Service lines						
Data and Voice Services	49,854	46,522	1,477	1,096	51,331	47,618
Others	842	832	35	15	877	847
	50,696	47,354	1,512	1,111	52,208	48,465
Timing of Revenue Recognition						
Services transferred at a point in time	76	44	11	3	87	47
Services transferred over time	50,620	47,310	1,501	1,108	52,121	48,418
	50,696	47,354	1,512	1,111	52,208	48,465

Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers :

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Unbilled revenue (refer note 8)	416	351	354	290	178
Deferred revenue	11,303	10,376	10,778	8,912	8,611

Significant changes in the unbilled revenue and deferred revenue balance during the year are as follows:

	For the nine months ended December 31 2023	
	Unbilled Revenue	**Deferred Revenue**
Revenue recognised that was included in deferred revenue at the beginning of the period	-	4,749
Increase due to cash received, excluding amounts recognised as revenue during the period	-	5,274
Transfer from unbilled revenue recognised at the beginning of the period to receivables	354	-

The Company has entered into respective agreements with Universal Service Obligation Fund ('USOF') to provide mobile services in identified uncovered villages and seamless mobile coverage on the national highways in north-eastern region. The Company has recognised deferred income for front loaded subsidy (representing 50% of eligible USOF subsidy) on receipt of approved Proof of Concept (PoC) for a particular USOF site and for equated quarterly subsidy (representing remaining 50% of the eligible USOF subsidy receivable in twenty quarterly instalments) on quarterly basis. The deferred income is amortised over the period they are required to operate and maintain the asset. The company has recognized government grant of Rs. 861 and Rs. 719 during the nine months ended December 31, 2023 and December 31, 2022 and Rs. 984, Rs. 740 and Rs. 772 during the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Costs to obtain or fulfil a contract with a customer

Reconciliation of costs to obtain or fulfil contracts with customers

The Company estimated that the historical average customer life is longer than 12 months and believes that its churn rate provides the best indicator of anticipated average customer life.

	For the period ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	3,190	2,259	2,259	1,219	375
Costs incurred and deferred	1,662	1,855	2,399	1,795	1,076
Less: Cost amortized	1,543	1,036	1,468	755	232
Closing balance	**3,309**	**3,078**	**3,190**	**2,259**	**1,219**

21.1 Other Income

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Net gain on marketable securities	372	131	290	19	133
Interest income	698	75	85	24	38
Government grant	861	719	984	740	772
Miscellaneous income	69	34	43	105	77
	2,000	**959**	**1,402**	**888**	**1,020**

22 Network operating expenses

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Power and fuel	5,891	5,957	7,861	7,289	6,753
Passive infrastructure charges	2,973	2,405	3,276	2,881	2,564
Repair and maintenance	2,096	1,434	1,908	2,198	2,363
Internet, bandwidth and leasedline charges	794	1,653	2,321	2,057	2,247
Others*	531	343	497	437	352
	12,285	**11,792**	**15,863**	**14,862**	**14,279**

* It includes charges towards installation, insurance and security.

23 Employee benefits expense

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Salaries, wages and bonus	729	645	848	703	706
Contribution to provident and other funds	17	15	20	19	18
Defined benefit obligation/ other long term benefits	17	10	14	14	15
Staff welfare expenses	24	14	14	21	21
Others	7	6	7	7	3
	794	**690**	**903**	**764**	**763**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

23.1 Employee benefits

The details of significant defined benefit obligations are as follows:

	For the nine months ended				For the year ended					
	December 31, 2023		December 31, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences	Gratuity	Compensated absences	Gratuity	Compensated absences	Gratuity	Compensated absences
Obligation:										
Balance as at beginning of the period	49	19	49	19	49	19	57	22	54	22
Current service cost	6	4	5	3	6	3	7	4	7	4
Interest cost	3	1	3	1	4	1	4	2	4	1
Benefits paid	(7)	(3)	(10)	(3)	(11)	(4)	(14)	(4)	(6)	(3)
Transfers	(0)	1	(1)	(1)	(2)	0	(6)	(2)	(3)	(1)
Remeasurements	3	(1)	4	(0)	3	0	1	(3)	1	(1)
Present value of obligation	**54**	**21**	**50**	**19**	**49**	**19**	**49**	**19**	**57**	**22**
Current portion	12	21	13	19	13	19	7	19	12	22
Non-current portion	42	-	37	-	36	-	42	-	45	-

As of December 31, 2023, expected contributions for the next annual reporting period is Rs. 12.

Amount recognised in Other Comprehensive Income

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Experience losses	3	5	4	1	1
Losses from change in demographic assumptions	0	(0)	(1)	1	0
Losses / (gain) from change in financial assumptions	0	(1)	(0)	(1)	0
Remeasurements on defined benefit plans	**3**	**4**	**3**	**1**	**1**

Due to its defined benefit plans, the Company is exposed to the following significant risks:

Changes in bond yields - A decrease in bond yields will increase plan liability

Salary risk - The present value of the defined benefit plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The financial (per annum rates) and demographic assumptions used to determine defined benefit obligations are as follows:

	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Discount rate	7.4%	7.4%	7.4%	7.2%	6.8%
Rate of salary increase	7.0%	7.0%	7.0%	7.0%	7.5%
Rate of attrition	13% to 27%	11% to 34%	11% to 34%	12% to 18%	20% to 29%
Retirement age	58	58	58	58	58

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Sensitivity analysis

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

	Change in assumption	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
		Gratuity				
Discount rate	+1%	(2)	(2)	(2)	(3)	(2)
	-1%	2	2	2	3	2
Salary growth rate	+1%	2	2	2	3	2
	-1%	(2)	(2)	(2)	(3)	(2)

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefit obligations, as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular underlying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The table below summarises the maturity profile of the Company' gratuity liability:

	As of December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Within one year	12	13	13	7	12
Between one and three years	16	16	15	12	21
Between three and five years	9	7	7	10	15
Above five years	17	14	14	23	24
Weighted average duration (in years)	3.57	2.87	2.96	6.02	4.00

24 Sales and marketing expense

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sales commission and distribution expenses	2,031	1,606	2,221	1,478	832
Advertisement and marketing	324	349	434	316	361
Business promotion	31	39	50	46	102
Others	409	274	362	153	115
	2,795	**2,268**	**3,067**	**1,993**	**1,410**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

25 Other expenses

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Content cost	250	255	340	233	223
Legal & professional charges^	36	24	42	14	27
Customer care expenses	79	74	97	76	82
IT expenses	215	251	308	327	259
Bad debts written off	(59)	299	324	311	102
Provision for doubtful receivables	136	71	73	(50)	92
Collection and recovery expense	85	57	93	40	36
Charity and donation#	-	0	-	-	4
Printing and Stationery	234	177	260	211	195
Other administrative expenses@	338	321	401	82	194
	1,314	**1,529**	**1,938**	**1,244**	**1,214**

^Details of Auditor's remuneration (excluding GST) included in legal and professional charges:

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Audit fee	5	4	5	5	5
Reimbursement of expenses	0	0	0	0	0
Other services (including certification)	0	0	1	1	0
	5	**4**	**6**	**6**	**5**

As per the requirements of section 135 of the Act, the Company was not required to spend any amount for the nine months ended December 31, 2023 and December 31, 2022 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 on Corporate Social Responsibility expenditure.

@It includes short term and low value lease payments, printing and stationery, security, travelling and conveyance expenses, etc.

26 Depreciation and amortisation expenses

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Depreciation on property plant and equipment	7,267	6,485	8,697	8,337	7,140
Depreciation on right of use assets	2,866	2,444	3,308	2,582	2,290
Amortisation	2,661	2,655	3,528	3,491	3,422
	12,794	**11,584**	**15,533**	**14,410**	**12,852**

(This space has been intentionally left blank)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

27 Finance costs

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Interest expense	2,449	2,908	3,698	3,844	3,220
Net exchange loss / (gain)	4	29	26	10	(471)
Interest expense on leases	1,750	1,474	2,028	1,399	1,268
Other finance charges*	584	484	636	465	1,149
	4,787	**4,895**	**6,388**	**5,718**	**5,166**

* It includes bank charges, trade finance charges and interest charges towards sub-judice matters.

28 Exceptional Items

(i) For the nine months ended December 31, 2023, Exceptional items comprise of the following:

1. Interest charge of Rs. 2,977 pertaining to tax treatment of adjusted revenue linked Variable License Fee from revenue expenditure to capital in nature for the purpose of computation of taxable income.
2. Charge of Rs. 53 on account of re-assessment of regulatory levies.

Tax expenses includes:

For the nine months ended December 31, 2023 :

1. Charge of Rs. 1,054 primarily due to change in effective tax rate due to adoption of new tax regime pertaining to tax treatment of adjusted revenue linked Variable License Fee from revenue expenditure to capital in nature for the purpose of computation of taxable income.
2. Credit of Rs. 13 on exceptional item pertaining to re-assessment of regulatory levies.

(ii) For the year ended March 31, 2022, exceptional items comprises of the following:

1. gain of Rs. 19,920 on account of commercial settlement with a service provider being a group company (Bharti Airtel Limited).
2. gain of Rs. 397 on account of settlement with a strategic vendors.
3. charge of Rs. 806 on account of levies.

Tax expense include:

Tax charge include net charge of Rs. 1,977 towards exceptional items (including deferred tax asset recognized on brought forward losses) for the year ended March 31, 2022.

(iii) For the year ended March 31, 2021, exceptional items comprises of the following:

1. Charge on account of license fee and spectrum usage charges (SUC) aggregating Rs. 553
2. Charge of Rs. 934 on account of re-assignment / revalidation of their MWA / MWB carrier in the Unified License Circles.
3. Charge of Rs. 1,693 on account of rates and taxes (including interest) arising from a detailed management review in light of judgements in various courts in multiple states.
4. Charge of Rs. 237 on account of re-assessment of useful life of certain categories of network assets due to technological advancements.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Tax expense include:

Tax charge includes net charge of Rs. 1,719 (including on re-assessment of deferred tax assets on business losses (recognized in previous periods) due to revised business projections during the year ended March 31, 2021.

29 Earnings / (Loss) per share ('EPS')

The details used in the computation of basic and diluted EPS:

	For the nine months ended		For the year ended		
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Profit atrributable to equity shareholder as per Restated Statement of Profit and Loss (A)	2,818	3,473	5,492	16,746	(10,339)
Weighted average number of equity shares for calculation of basic / diluted EPS per share after split of shares into Rs. 5 each (in thousand) (B)	500,000	500,000	500,000	500,000	500,000
Earning / (Loss) per share					
Equity share of face value Rs. 5 per share					
Basic / Diluted earnings / (loss) per share^ (A) / (B) (Refer Note 4(iv))	5.64	6.95	10.98	33.49	(20.68)

^Re-stated Earnings / (Loss) per share are not annualised for the nine months ended December 31, 2023 and December 31, 2022.

30 Segment Reporting

The Company's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by one of the Directors of the Company (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of Restated Financial Information as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax, after excluding charity and donation cost. Accordingly, finance costs, other income, non – operating expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments and reflected in the 'Eliminations' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily include receivables, right-of-use asset ('ROU'), property, plant and equipment, Capital work-in-progress, intangibles assets, intangible assets under development and cash and cash equivalents. Segment liabilities primarily include operating and lease liabilities. Segment capital expenditure comprises of additions to property, plant and equipment, capital work-in-progress, intangible assets, intangible assets under development and capital advances.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The reporting segments of the Company are as below:

Mobile Services: These services cover voice and data telecom services provided through wireless technology (2G/4G/5G). This also includes intra city fibre networks.

Homes and Office Services: These services cover voice and data communications through fixed-line network and broadband technology for homes and offices.

Unallocated: Unallocated items include expenses / results, assets and liabilities of corporate headquarters of the Company, current taxes, deferred taxes, borrowings (which includes external borrowings and deferred payment liabilities) and certain financial assets and liabilities, not allocated to the operating segments.

Summary of the segmental information for the nine months ended and as of December 31, 2023 is as follows:

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Revenue from external customers	50,696	1,512	-	-	52,208
Inter segment revenue	283	-	-	(283)	-
Total revenue	**50,979**	**1,512**	**-**	**(283)**	**52,208**
Segment results	12,854	116	-	-	12,970
Less:					
Finance costs (net)*					3,717
Exceptional items					3,030
Profit before tax					**6,223**
Other segment items					
Capital expenditure	15,001	1,002	-	-	16,003
Addition to ROU	4,801	12	-	-	4,813
Depreciation and amortisation expenses	12,411	383	-	-	12,794
As of December 31, 2023					
Segment assets	184,690	4,081	8,463	(1,204)	196,030
Segment liabilities	83,257	2,744	67,072	(1,204)	151,869

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the nine months ended and as of December 31, 2022 is as follows:

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Revenue from external customers	47,354	1,111	-	-	48,465
Inter segment revenue	198	-	-	(198)	-
Total revenue	**47,552**	**1,111**	**-**	**(198)**	**48,465**
Segment results	9,166	160	-	-	9,326
Less:					
Finance costs (net)*					4,689
Profit before tax					**4,637**
Other segment items					
Capital expenditure	25,144	433	-	-	25,577
Addition to ROU	10,771	200	-	-	10,971
Depreciation and amortisation expenses	11,351	233	-	-	11,584
As of December 31, 2022					
Segment assets	167,643	2,798	9,687	(789)	179,339
Segment liabilities	75,961	1,784	62,308	(789)	139,264

Summary of the segmental information for the year ended and as of March 31, 2023 is as follows:

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Revenue from external customers	64,247	1,543	-	-	65,790
Inter segment revenue	377	-	-	(377)	-
Total revenue	**64,624**	**1,543**	-	**(377)**	**65,790**
Segment results	13,200	151	-	-	13,351
Less:					
Finance costs (net)*					6,013
Profit before tax					**7,338**
Other segment items					
Capital expenditure	29,919	599	-	-	30,518
Addition to ROU	13,878	219	-	-	14,097
Depreciation and amortisation expenses	15,241	292	-	-	15,533
As of March 31, 2023					
Segment assets	171,392	2,960	9,026	(849)	182,529
Segment liabilities	77,706	2,114	61,463	(849)	140,434

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2022 is as follows:

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Revenue from external customers	52,976	1,076	-	-	54,052
Inter segment revenue	265	-	-	(265)	-
Total revenue	**53,241**	**1,076**	**-**	**(265)**	**54,052**
Segment results	4,461	117	-	-	4,578
Less:					
Finance costs (net)*					5,675
Non-operating expense					3
Exceptional items					(19,511)
Profit before tax					**18,411**
Other segment items					
Capital expenditure	8,320	425	-	-	8,745
Addition to ROU	4,348	100	-	-	4,448
Depreciation and amortisation expenses	14,178	232	-	-	14,410
As of March 31, 2022					
Segment assets	154,638	2,428	10,439	(762)	166,743
Segment liabilities	59,434	1,437	70,029	(762)	130,138

Summary of the segmental information for the year ended and as of March 31, 2021 is as follows:

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Revenue from external customers	45,300	723	-	-	46,023
Inter segment revenue	151	-	-	(151)	-
Total revenue	**45,451**	**723**	-	**(151)**	**46,023**
Segment results	(980)	(412)	-	-	(1,392)
Less:					
Finance costs (net)*					4,996
Non-operating expense					82
Charity and donation					4
Exceptional items (refer note 28)					3,417
Loss before tax					**(9,891)**
Other segment items					
Capital expenditure	15,471	296	-	-	15,767
Addition to ROU	4,979	45	-	-	5,024
Depreciation and amortisation expense	12,712	140	-	-	12,852
As of March 31, 2021					
Segment assets	139,866	5,943	4,912	(686)	150,035
Segment liabilities	74,664	4,956	51,241	(686)	130,175

*net of interest income and net gain on FVTPL.

Geographical information:

The Company is operating mainly in single geographic segment, i.e. in India. Thus, no information concerning geographical areas is applicable to the Company.

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31 Related party disclosures

i. Parent Company
Bharti Airtel Limited

ii. Ultimate controlling entity*
Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company.

iii. Entity having significant influence over the Company
Telecommunications Consultants India Limited

iv. Entity having significant influence over the Parent Company
Singapore Telecommunications Limited

v. Other entities with whom transactions have taken place during the period(s)
a. Fellow Subsidiaries
-Indian
Bharti Airtel Services Limited
Bharti Telemedia Limited
Telesonic Networks Limited^
Nxtra Data Limited
Airtel Digital Limited
Smartx Services Limited (upto November 18, 2020)
Indus Towers Limited, formerly known as Bharti Infratel Limited (upto November 18, 2020)

-Foreign

Airtel (Seychelles) Limited
Airtel Congo RDC S.A.
Airtel Congo S.A
Airtel Gabon S.A.
Airtel Malawi Public Limited Company
Airtel Madagascar S.A.
Airtel Networks Kenya Limited
Airtel Networks Zambia Plc
Airtel Rwanda Limited
Airtel Tanzania Public Limited Company
Airtel Tchad S.A.
Airtel Uganda Limited
Bharti Airtel Lanka (Private) Limited
Bharti Airtel Nigeria B.V.
Bharti Airtel Uganda Holdings B.V.
Celtel Niger S.A.

b. Entity where parent company exercises significant influence
Airtel Payments Bank Limited
Robi Axiata Limited
Hughes Communication India Pvt. Ltd.
HCIL Comtel Private Limited
FireFly Networks Limited

c. Joint venture of the Parent company
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)
Indus Towers Limited (upto November 19, 2020)
Smartx Services Limited (w.e.f. November 19, 2020)

d. Other related parties #
Beetel Teletech Limited
Centum Learning Limited
Jersey Airtel Limited
Bharti AXA Life Insurance Company Limited
Singtel Mobile Singapore Pte. Ltd.

* There is no transaction with Ultimate Controlling entity and entity having significant influence over the Parent Company during the reported periods.

'**Other related parties**' though not 'Related Parties' as per the definition under Ind AS 24, have been included by way of a voluntary disclosure, following the best corporate governance practices.

vi. Key Management Personnel
Nidhi Lauria, Chief Executive Officer (upto November 11, 2022)
Marut Dilawari, Chief Executive Officer (w.e.f. November 12, 2022)
Kamal Dua, Chief Financial Officer (upto November 7, 2023)
Akhil Garg, Chief Financial Officer (w.e.f. November 7, 2023)
Richa Gupta Rohatgi, Company Secretary

The remuneration paid to Key Management Personnel of the Company is borne by its Holding company, Bharti Airtel Limited and cross charged as part of a single composite consideration. Accordingly, the same is not reported under related party transaction.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

The summary of transactions with the above mentioned parties are as follows:

Name of parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
1) Purchase of fixed assets/bandwidth					
Parent Company					
Bharti Airtel Limited	1,014	686	832	(52)	1,045
Fellow Subsidiaries					
Bharti Airtel Services Limited	0	8	8	2	-
Telesonic Networks Limited	-	-	-	456	194
Joint Venture of the parent company					
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)	469	2	13	-	36
Entity where parent company exercise significant influence					
HCIL Comtel Private Limited	10	-	-	-	-
Other related parties					
Beetel Teletech Limited	101	31	40	-	5
2) Sale of fixed assets / IRU given					
Parent Company					
Bharti Airtel Limited	258	37	43	540	1,779
Fellow Subsidiary					
Bharti Airtel Services Limited	18	-	-	-	-
Other related party					
Beetel Teletech Limited	-	-	-	15	-
3) Rendering of services					
Parent Company					
Bharti Airtel Limited	5,193	7,402	10,220	8,871	6,492
Fellow Subsidiaries					
Bharti Telemedia Limited	10	-	-	-	-
Nxtra Data Limited	8	10	22	1	3
Bharti Airtel Lanka (Private) Limited	0	-	-	0	0
Telesonic Networks Limited	-	-	-	5	2
Airtel (Seychelles) Limited	0	0	0	0	0
Airtel Congo S.A	0	0	0	0	0
Airtel Gabon S.A.	0	0	0	0	0
Airtel Madagascar S.A.	0	0	0	0	0
Airtel Malawi Public Limited Company	0	0	0	0	0
Airtel Networks Kenya Limited	0	0	0	0	0
Airtel Networks Zambia Plc	0	0	0	0	0
Airtel Rwanda Limited	0	-	-	0	0
Airtel Tanzania Public Limited Company	0	0	0	0	0
Airtel Tchad S.A.	-	-	-	-	0
Airtel Uganda Limited	0	0	0	0	0
Airtel Congo (RDC) S.A.	0	0	0	0	0
Celtel Niger S.A.	0	0	0	0	0
Bharti Airtel Nigeria B.V.	0	0	0	0	0
Bharti Airtel Uganda Holdings B.V.	-	-	-	0	0
Entity where parent company exercise significant influence					
Airtel Payment bank Limited	3	11	10	11	13
Robi Axiata Limited	0	0	0	0	0
FireFly Networks Limited	0	-	-	-	-
Other related parties					
Jersey Airtel Limited	0	0	0	-	-
Beetel Teletech Limited	-	-	0	-	-
Singtel Mobile Singapore Pte Ltd	13	2	4	1	0

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
4) Receiving of services					
Parent Company					
Bharti Airtel Limited*	6,591	9,781	13,398	(4,410)	15,740
Fellow Subsidiaries					
Indus Towers Limited, formerly known as Bharti Infratel Limited (upto November 18, 2020)**	-	-	-	-	523
Bharti Telemedia Limited	1	2	1	3	0
Bharti Airtel Services Limited	36	-	5	21	12
Bharti Airtel Lanka (Private) Limited	1	0	0	0	0
Nxtra Data Limited	102	85	71	114	76
Telesonic Networks Limited	-	-	-	65	47
Airtel (Seychelles) Limited	0	0	0	0	0
Airtel Digital Limited	299	291	348	290	249
Bharti Airtel Nigeria B.V.	0	0	0	0	0
Airtel Congo S.A	0	0	0	0	0
Airtel Gabon S.A.	0	0	0	0	0
Airtel Madagascar S.A.	0	0	0	0	0
Airtel Malawi Public Limited Company	0	0	0	0	0
Airtel Networks Kenya Limited	0	0	0	0	0
Airtel Networks Zambia Plc	0	0	0	0	0
Airtel Rwanda Limited	0	0	0	0	0
Airtel Tanzania Public Limited Company	0	0	0	0	0
Airtel Tchad S.A.	0	0	0	0	0
Airtel Uganda Limited	0	0	0	0	0
Airtel Congo (RDC) S.A.	0	0	0	0	0
Celtel Niger S.A.	0	0	0	0	0
Bharti Airtel Uganda Holdings B.V.	0	0	0	-	-
Joint Venture of the parent company					
Indus Towers Limited (upto November 18, 2020)#	-	-	-	-	779
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)#	2,087	1,714	2,280	1,980	619
SmarTx Services Limited	-	-	-	1	0
Entity where parent company exercise significant influence					
Robi Axiata Limited	0	0	0	1	0
Hughes Communication India Pvt. Ltd.	121	53	53	-	-
HCIL Comtel Private Limited	1	-	1	-	-
Airtel Payment Bank Limited	161	179	233	187	71
Other related parties					
Beetel Teletech Limited	-	-	-	6	7
Jersey Airtel Limited	0	0	0	0	-
Centum learning Limited	-	4	3	3	6
Singtel Mobile Singapore Pte Ltd	2	1	1	0	0
Bharti AXA Life Insurance Company Limited	-	0	0	0	2
5) Expenses incurred on behalf of others					
Parent Company					
Bharti Airtel Limited	-	0	0	7	4
Fellow Subsidiaries					
Bharti Telemedia Limited	5	7	9	9	8
Airtel Digital Limited	6	51	54	49	21
Entity where parent company exercise significant influence					
Airtel Payment bank Limited	0	0	0	2	2
6) Fund received/Expenses incurred on behalf of the Company					
Parent Company					
Bharti Airtel Limited	1,332	1,171	1,635	1,250	1,288
Fellow Subsidiaries					
Bharti Telemedia Limited	1	-	-	-	-
Bharti Airtel Services Limited	213	176	244	174	-
Airtel Digital Limited	190	247	336	32	23
7) Reimbursement of energy expenses					
Fellow Subsidiary#					
Indus Towers Limited, formerly known as Bharti Infratel Limited (upto November 18, 2020)	-	-	-	-	1,002

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of parties	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Joint Venture of the parent company					
Indus Towers Limited (upto November 18, 2020)	-	-	-	-	1,580
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)	3,047	3,292	4,358	3,744	1,465
SmarTx Services Limited	-	0	-	-	-
8) Receiving of assets (ROU/Ind AS 116) *#					
Fellow Subsidiaries					
Bharti Airtel Services Limited	8	200	217	87	-
Indus Towers Limited, formerly known as Bharti Infratel Limited (upto November 18, 2020)**	-	-	-	-	153
Joint Venture of the parent company					
Indus Towers Limited (upto November 18, 2020)	-	-	-	-	608
Indus Towers Limited, formerly known as Bharti Infratel Limited (w.e.f. November 19, 2020)	3,880	7,432	9,535	1,294	657
SmarTx Services Limited	-	1	-	-	-
9) Repayment of Lease liability					
Fellow Subsidiary					
Bharti Airtel Services Limited	67	30	35	-	-
Joint Venture of the parent company					
Indus Towers Limited	2,311	2,288	3,081	3,658	2,398
SmarTx Services Limited	-	1	-	-	-
10) Guarantees and collaterals on behalf of the Company					
Parent Company					
Bharti Airtel Limited	(0)	(3)	(3)	1	(420)
11) Dividend					
Parent Company					
Bharti Airtel Limited	525	-	-	-	-
Entity having significant influence over the company					
Telecommunications Consultants India Limited	225	-	-	-	-
12) Interest charged by the Company					
Parent Company					
Bharti Airtel Limited	415	-	-	-	-
13) Interest charged by others					
Fellow Subsidiary					
Bharti Airtel Services Limited	16	11	15	1	-

Amount does not include GST.

* Include one time settlement of Rs. 19,920 for previous year ended March 31, 2022.

**During the year ended March 31, 2021, Indus Towers Limited, formerly known as Bharti Infratel Limited, which was a subsidiary of the parent company, merged with erstwhile Indus Towers Limited, a joint venture of the parent company. As a result of merger, Indus Towers Limited became the surviving company and erstwhile Indus Towers Limited stood dissolved. Additionally, the merger caused the parent company to lose control over the Indus Towers Limited w.e.f. November 19, 2020 and led to a formation of a joint venture.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

The outstanding balances of the above mentioned related parties are as follow:

Name of parties	As of				
	December 31, 2023	December 31, 2022	March 31, 2023^	March 31, 2022	March 31, 2021
1) Trade Receivables					
Parent Company					
Bharti Airtel Limited	1,024	46	356	18,063	-
Fellow Subsidiaries					
Bharti Telemedia Ltd.	13	-	-	-	-
Bharti Airtel Lanka (Private) Limited	-	0	-	-	0
Airtel Networks Kenya Limited	0	0	0	-	-
Airtel Madagascar S.A.	-	0	0	-	-
Airtel Tchad S.A.	-	0	0	-	-
Airtel Gabon S.A.	0	-	-	0	-
Airtel Uganda Limited	0	-	-	-	-
Airtel Congo (RDC) S.A.	-	0	0	0	0
Bharti Airtel Nigeria B.V.	0	0	0	0	0
Entities where parent company exercise significant influence					
Airtel Payment bank Limited	2	11	12	7	277
Robi Axiata Limited	0	-	-	-	-
FireFly Network Limited	0	-	-	-	-
Others related parties					
Beetel Teletech Limited	-	-	-	14	-
Centum Learning Limited	-	0	-	-	-
Singtel Mobile Singapore Pte Ltd	13	1	3	-	-
2) Other Financial Assets					
Parent Company					
Bharti Airtel Limited	64	49	42	48	400
Fellow subsidiaries					
Bharti Telemedia Limited	7	5	6	7	8
Telesonic Networks Limited	-	-	-	3	-
Airtel Digital Limited	-	5	-	-	-
Entities where parent company exercise significant influence					
Airtel Payment bank Limited	5	0	(0)	0	2
Joint ventures of the parent company					
Indus Towers Limited	98	98	98	98	75
3) Trade Payables					
Parent Company					
Bharti Airtel Limited	-	-	-	-	9,210

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of parties	As of				
	December 31, 2023	December 31, 2022	March 31, 2023^	March 31, 2022	March 31, 2021
Fellow subsidiaries					
Bharti Telemedia Limited	-	5	5	5	9
Bharti Airtel Services Limited	46	60	65	63	41
Nxtra Data Limited	19	121	65	76	218
Bharti Airtel Lanka (Private) Limited	0	-	0	0	-
Airtel Digital Limited	44	63	65	55	71
Telesonic Networks Limited	-	-	-	224	53
Airtel (Seychelles) Limited	0	0	0	0	0
Bharti Airtel Uganda Holdings B.V.	0	0	0	0	0
Airtel Congo (RDC) S.A.	0	-	-	-	-
Airtel Networks Zambia Plc	0	0	0	0	0
Airtel Madagascar S.A.	0	-	-	0	0
Airtel Networks Kenya Limited	-	-	-	0	0
Airtel Rwanda Limited	0	0	0	0	0
Airtel Tchad S.A.	0	-	-	0	0
Celtel Niger S.A.	0	0	0	0	0
Airtel Uganda Limited	-	0	0	0	0
Airtel Malawi Public Limited Company	0	0	0	0	0
Airtel Tanzania Public Limited Company	0	0	0	0	0
Airtel Congo S.A	0	0	0	0	0
Airtel Gabon S.A.	-	0	0	-	0
Joint ventures of the parent company					
Indus Towers Limited	2,444	2,536	2,687	2,241	4,666
SmarTx Services Limited	-	0	-	0	0
Entities where parent company exercise significant influence					
Robi Axiata Limited	-	0	0	0	-
Hughes Communication India Pvt. Ltd.	6	-	-	-	-
HCIL Comtel Private Limited	0	-	0	-	-
Airtel Payment Bank Limited	-	-	0	0	2
Others related parties					
Beetel Teletech Limited	16	4	5	-	4
Centum learning Limited	-	-	0	0	0
Jersey Airtel Limited	0	0	0	0	0
Bharti AXA Life Insurance Company Limited	1	1	1	1	1
4) Guarantees and collaterals taken					
Parent Company					
Bharti Airtel Limited	47	47	47	50	49
5) Lease liabilities @					
Fellow Subsidiary					
Bharti Airtel Services Limited	242	268	285	88	-
Joint venture of the parent company					
Indus Towers Limited	19,065	14,815	16,431	8,877	10,533

Outstanding balances at period end are un-secured and settlement occurs in cash.

^Consequent to the amalgamation of Telesonic Networks Limited (Telesonic) and Nettle Infrastructure Investments Limited (Nettle) with Bharti Airtel Limited (Airtel) with appointed date of April 1, 2022, related party transactions of Telesonic and Nettle for the year ended March 31, 2023 have been included with Airtel and disclosed accordingly.

@ It include discounted value of future cash payouts.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

32 Leases

Company as a lessee

Right-of-use assets ('ROU')

The following table presents the reconciliation of changes in the carrying value of ROU assets for the nine months ended December 31, 2023 and December 31, 2022 and year ended March 31, 2023, March 31, 2022 and March 31, 2021:

	Bandwidth	Plant and equipment	Building	Leasehold land	Total
Balance as at April 1, 2020	1,115	11,265	179	1,299	13,858
Additions	39	3,467	-	1,518	5,024
Depreciation expense	(118)	(1,887)	(38)	(247)	(2,290)
Termination / adjustments	-	(1,426)	(25)	(380)	(1,831)
Balance as at March 31, 2021	**1,036**	**11,419**	**116**	**2,190**	**14,761**
Balance as at April 1, 2021	1,036	11,419	116	2,190	14,761
Additions	-	2,698	17	1,733	4,448
Depreciation expense	(78)	(2,238)	(25)	(241)	(2,582)
Disposals / adjustments	-	64	(15)	(352)	(303)
Balance as at March 31, 2022	**958**	**11,943**	**93**	**3,330**	**16,324**
Balance as at April 1, 2022	958	11,943	93	3,330	16,324
Additions	-	13,155	300	643	14,098
Depreciation expense	(78)	(2,841)	(53)	(336)	(3,308)
Disposals / adjustments	-	(444)	(5)	(275)	(724)
Balance as at March 31, 2023	**880**	**21,813**	**335**	**3,362**	**26,390**

	Bandwidth	Plant and equipment	Building	Leasehold land	Total
Balance as at April 1, 2022	958	11,943	93	3,330	16,324
Additions	-	10,370	167	434	10,971
Depreciation expense	(59)	(2,099)	(37)	(249)	(2,444)
Disposals / adjustments	-	(348)	(4)	(132)	(484)
Balance as at December 31, 2022	**899**	**19,866**	**219**	**3,383**	**24,367**
Balance as at April 1, 2023	880	21,813	335	3,362	26,390
Additions	-	4,582	51	180	4,813
Depreciation expense	(59)	(2,514)	(38)	(255)	(2,866)
Disposals / adjustments	-	(241)	(10)	(20)	(271)
Balance as at December 31, 2023	**821**	**23,640**	**338**	**3,267**	**28,066**

- **Bandwidth**

The Company's leases of bandwidth comprise of dark fiber taken on lease.

- **Plant and equipment**

The Company leases passive infrastructure for providing telecommunication services under composite contracts that include lease of passive infrastructure and land on which the passive infrastructure is built as well as maintenance, security, provision of energy etc. services.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- **Building**

The Company's leases of building comprise of lease of offices, warehouses and shops.

- **Leasehold land**

The Company's leases of land comprise of land taken on lease on which passive infrastructure and offices are built.

Amounts recognised in profit or loss

Leases under Ind AS 116

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Interest on lease liabilities	1,750	1,474	2,028	1,399	1,268
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	3	3	5	6	5

Amounts recognised in Restated Statement of Cash Flows

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Total cash outflow for leases	2,228	2,166	2,831	3,461	2,470

Termination options

Termination options are included in a number of plant and equipment leases across the Company, where the Company is a lessee. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of termination options held are exercisable only by the Company and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive not to exercise a termination option. Periods after termination options are only included in the lease term if the lease is reasonably certain to be not terminated by the Company. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date.

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Not later than one year	6,420	5,775	6,103	4,726	6,068
Later than one year but not later than five years	20,297	16,709	18,415	11,269	9,901
Later than five years	16,375	14,555	15,816	9,527	7,894
	43,092	**37,039**	**40,334**	**25,522**	**23,863**

Company as a lessor- operating lease

The Company enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Restated Statement of Assets and Liabilities.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Amounts recognised in Restated Statement of Profit and Loss

	For the nine months ended		For the year ended		
Leases under Ind AS 116	**December 31, 2023**	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Lease income	369	370	505	496	515

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	For the nine months ended		For the year ended		
Operating leases under Ind AS 116	**December 31, 2023**	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Less than one year	268	345	325	385	452
One to two years	109	279	264	329	366
Two to three years	43	114	62	267	311
Three to four years	30	45	40	62	250
Four to five years	27	32	30	40	44
More than five years	64	86	82	104	41
	541	**901**	**803**	**1,187**	**1,464**

Company has entered into non–cancellable lease arrangements to provide dark fiber on IRU basis and tower assets on site-sharing basis. Due to the nature of these transactions, it is not possible to compute gross carrying amount, depreciation for the year and accumulated depreciation of the asset given on operating lease as of December 31, 2023, December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021 and accordingly, the related disclosures are not provided.

33 Financial and capital risk

1. Financial Risk

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un predictability of these elements and seek to minimise the potential adverse effects on its financial performance.

The financial risk management for the Company is driven by the Company's senior management ('CSM'), in close co-ordination with internal / external experts subject to necessary supervision. The Company does not undertake any speculative transactions either through derivatives or otherwise. The CSM are accountable to the Board of Directors and Audit Committee. They ensure that the Company's financial risk-taking activities are governed by appropriate financial risk governance framework, policies and procedures. The Board of Directors of the Company periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(i) Foreign currency risk

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency trade payables and receivables. However, foreign exchange exposure mainly arises from trade payables denominated in foreign currencies.

Foreign currency sensitivity

The impact of foreign exchange sensitivity on profit for the year and other comprehensive income is given in the table below:

	Change in currency exchange rate	Effect on profit before tax	Effect on equity (OCI)
For the nine months ended December 31, 2023			
US Dollars	+5%	(31)	-
	-5%	31	-
EURO	+5%	3	-
	-5%	(3)	-
For the nine months ended December 31, 2022			
US Dollars	+5%	(25)	-
	-5%	25	-
EURO	+5%	2	-
	-5%	(2)	-
For the year ended March 31, 2023			
US Dollars	+5%	(21)	-
	-5%	21	-
EURO	+5%	0	-
	-5%	(0)	-
For the year ended March 31, 2022			
US Dollars	+5%	(12)	-
	-5%	12	-
EURO	+5%	(0)	-
	-5%	0	-
For the year ended March 31, 2021			
US Dollars	+5%	(17)	-
	-5%	17	-
EURO	+5%	(0)	-
	-5%	0	-

The sensitivity disclosed in the above table is mainly attributable to foreign exchange gains / (losses) on translation of USD denominated trade payables and trade receivables.

The above sensitivity analysis is based on a reasonable possible change in the under-lying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(ii) Interest rate risk

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Company's interest rate risk arises mainly from borrowings.

Borrowings

Borrowings with floating and fixed interest rates expose the Company to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined by the CSM in a manner which enables the Company to achieve an optimum debt-mix basis its overall objectives and future market expectations.

The Company monitors the interest rate movement and manages the interest rate risk based on its risk management policies - as considered appropriate and whenever necessary.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity on Profit before tax is given in the table below:

Interest rate sensitivity	Increase / decrease in basis points	Effect on profit before tax
For the nine months ended December 31, 2023		
INR - borrowings	+100	(2)
	-100	2
For the nine months ended December 31, 2022		
INR - borrowings	+100	-
	-100	-
For the year ended March 31, 2023		
INR - borrowings	+100	(0)
	-100	0
For the year ended March 31, 2022		
INR - borrowings	+100	(0)
	-100	0
For the year ended March 31, 2021		
INR - borrowings	+100	(215)
	-100	215

The sensitivity disclosed in the above table is attributable to floating-interest rate borrowings.

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings, while assuming all other variables to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(iii) Price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, government securities and fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

(iv) Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Company to potential financial losses.

The Company is exposed to credit risk mainly with respect to trade receivables.

Trade receivables

The Trade receivables of the Company are typically non-interest bearing un-secured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk. The credit period provided by the Company to its customers (other than Group entities), generally ranges between 14-30 days. For details of trade receivables / revenues from related-parties, refer note 31.

The Company uses a provision matrix to measure the ECL of trade receivables, which comprise a very large numbers of small balances. Refer Note 11 for details on the impairment of trade receivables. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are impaired if the payments are more than 90 days past due.

The ageing analysis of trade receivables as of the reporting date is as follows:

	Neither past due nor impaired	Past due but not impaired				Total
		Less Than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
Trade receivables as of December 31, 2023	1,644	377	104	40	151	2,316
Trade receivables as of December 31, 2022	668	391	105	58	252	1,474
Trade receivables as of March 31, 2023	788	348	101	19	233	1,489
Trade receivables as of March 31, 2022	20,091	279	142	79	367	20,958
Trade receivables as of March 31, 2021	150	249	5	31	994	1429

The Company performs on-going credit evaluations of its customers' financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business.

Financial instruments and cash deposits

The Company's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, deposits and investment in mutual funds, having good reputation and past track record, and high credit rating. Similarly, counter-parties of the Company's other receivables carry either no or very minimal credit risk. Further, the Company reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an on-going basis, and if required, takes necessary mitigation measures.

(v) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from domestic at an optimised cost. It also enjoys strong access to domestic and international capital markets across debt and equity.

Moreover, the Company's senior management regularly monitors the rolling forecasts of the entitiy's liquidity reserve (comprising of the amount of available un-drawn credit facilities and Cash and cash equivalents) and the related requirements, to ensure they have sufficient cash on an on-going basis to meet operational needs while maintaining sufficient headroom at all times on its available un-drawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of its borrowings. For details as to the Borrowings, refer Note 15.

Based on past performance and current expectations, the Company believes that the Cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:-

	As of December 31 , 2023						
	Carrying amount	**On demand**	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**> 2 years**	**Total**
Interest bearing borrowings*#	65,383	195	37,200	1,321	1,447	42,694	**82,857**
Other financial liabilities#	7,943	238	7,705	-	-	-	**7,943**
Trade payables	16,348	-	16,348	-	-	-	**16,348**
Lease liabilities	31,792	-	3,746	2,675	5,245	31,426	**43,092**
Financial liabilities	**121,466**	**433**	**64,999**	**3,996**	**6,692**	**74,120**	**150,240**

	As of December 31 , 2022						
	Carrying amount	**On demand**	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**> 2 years**	**Total**
Interest bearing borrowings*#	66,300	-	3,980	1,321	38,527	44,141	**87,969**
Other financial liabilities#	7,103	236	6,867	-	-	-	**7,103**
Trade payables	16,011	-	16,011	-	-	-	**16,011**
Lease liabilities	27,114	-	3,480	2,295	4,443	26,821	**37,039**
Financial liabilities	**116,528**	**236**	**30,338**	**3,616**	**42,970**	**70,962**	**148,122**

	As of March 31 , 2023						
	Carrying amount	**On demand**	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**> 2 years**	**Total**
Interest bearing borrowings*#	64,558	31	2,501	16,020	22,627	42,790	**83,969**
Other financial liabilities#	8,396	237	8,159	-	-	-	**8,396**
Trade payables	14,406	-	14,406	-	-	-	**14,406**
Lease liabilities	29,343	-	3,609	2,494	4,862	29,369	**40,334**
Financial liabilities	**116,703**	**268**	**28,675**	**18,514**	**27,489**	**72,159**	**147,105**

	As of March 31 , 2022						
	Carrying amount	**On demand**	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**> 2 years**	**Total**
Interest bearing borrowings*#	72,873	22	12,326	13,800	17,200	42,776	**86,124**
Other financial liabilities#	2,873	221	2,566	86	-	-	**2,873**
Trade payables	14,952	-	14,952	-	-	-	**14,952**
Lease liabilities	18,701	-	3,007	1,719	3,092	17,705	**25,523**
Financial liabilities	**109,399**	**243**	**32,851**	**15,605**	**20,292**	**60,481**	**129,472**

	As of March 31 , 2021						
	Carrying amount	**On demand**	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**> 2 years**	**Total**
Interest bearing borrowings*#	61,325	-	23,253	2,963	7,492	38,679	**72,387**
Other financial liabilities#	8,464	223	8,241	-	-	-	**8,464**
Trade payables	22,240	-	22,240	-	-	-	**22,240**
Lease liabilities	17,983	-	3,997	2,071	3,006	14,789	**23,863**
Financial liabilities	**110,012**	**223**	**57,731**	**5,034**	**10,498**	**53,468**	**126,954**

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Interest accrued has been included in interest bearing borrowings and excluded from other financial liabilities.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

The following table provides the reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities of Restated Statement of Cash Flows:

			Non-cash changes		
	April 1, 2023	Cash flows	Interest expense	Others	December 31, 2023
Borrowings	62,693	195	-	(358)	62,530
Interest accrued	1,865	(4,041)	4,783	249	2,856
Lease liabilities	29,343	(2,228)	-	4,677	31,792

			Non-cash changes		
	April 1, 2022	Cash flows	Interest expense	Others	December 31, 2022
Borrowings	71,983	(22,528)	-	14,043	63,498
Interest accrued	890	(2,353)	4,866	(601)	2,802
Lease liabilities	18,701	(2,166)	-	10,579	27,114

			Non-cash changes		
	April 1, 2023	Cash flows	Interest expense	Others	March 31, 2023
Borrowings	71,983	(24,428)	-	15,138	62,693
Interest accrued	890	(4,830)	6,362	(558)	1,865
Lease liabilities	18,701	(2,831)	-	13,473	29,343

			Non-cash changes		
	April 1, 2021	Cash flows	Interest expense	Others	March 31, 2022
Borrowings	59,752	8,115	-	4,116	71,983
Interest accrued	1,573	(2,823)	5,708	(3,568)	890
Lease liabilities	17,983	(3,461)	-	4,179	18,701

			Non-cash changes		
	April 1, 2020	Cash flows	Interest expense	Others	March 31, 2021
Borrowings	49,102	(163)	985	9,829	59,752
Interest accrued	93	(3,409)	3,936	953	1,573
Lease liabilities	16,848	(2,470)	-	3,605	17,983

(vi) Disclosure of non-cash transactions

	For the nine months ended		For the year ended		
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
ROU additions during the year by means of lease	4,813	10,971	14,097	4,448	5,024
Acquisition of intangible assets and intangible assets under development acquired by means of deferred payment liability	-	13,456	13,456	1,007	-

(All amounts are in millions of Indian Rupee; unless stated otherwise)

2. Capital Risk

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Company monitors capital using a gearing ratio calculated as below:

	As of				
	December 31, 2023	**December 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Borrowings	62,530	63,498	62,693	71,983	59,752
Less: Cash and cash equivalents	247	337	555	885	277
Net Debt (A)	**62,283**	**63,161**	**62,138**	**71,098**	**59,475**
Equity	44,161	40,075	42,095	36,605	19,860
Total Capital (B)	**44,161**	**40,075**	**42,095**	**36,605**	**19,860**
Capital and Net Debt (C = A+B)	**106,444**	**103,236**	**104,233**	**107,703**	**79,335**
Gearing Ratio (A/C)	**58.5%**	**61.2%**	**59.6%**	**66.0%**	**75.0%**

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

34 Fair Value of financial assets and liabilities

The category wise details as to the carrying value and fair value of the Company's financial instruments are as follows:

		Carrying Value as of					Fair Value as of				
		December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Financial Assets											
FVTPL											
Investments - quoted	Level 1	8,470	10,311	10,460	490	-	8,470	10,311	10,460	490	-
Amortised cost											
Investments - quoted	Level 1	4,696	0	-	-	-	4,696	0	-	-	-
Investments - unquoted	Level 2	5,192	-	-	-	-	5,192	-	-	-	
Trade receivables		2,316	1,474	1,489	20,958	1,429	2,316	1,474	1,489	20,958	1,429
Cash and cash equivalents		247	337	555	885	277	247	337	555	885	277
Other bank balances		342	329	332	324	315	342	329	332	324	315
Other financial assets		14,537	14,218	14,409	13,250	12,312	14,537	14,218	14,409	13,250	12,312
		35,800	**26,669**	**27,245**	**35,907**	**14,333**	**35,800**	**26,669**	**27,245**	**35,907**	**14,333**
Financial Liabilities											
Amortised cost											
Borrowings- fixed rate	Level 1	34,993	36,853	34,969	58,802	28,416	33,198	34,516	33,071	58,251	27,995
Borrowings- fixed rate	Level 2	27,341	26,645	27,693	13,141	9,829	25,788	26,259	26,893	13,162	9,829
Borrowings- floating rate		195	-	31	40	21,507	195	-	31	40	21,507
Trade payables		16,347	16,011	14,406	14,952	22,240	16,347	16,011	14,406	14,952	22,240
Other financial liabilities		10,799	9,905	10,261	3,763	10,037	10,799	9,905	10,261	3,763	10,037
		89,675	**89,414**	**87,360**	**90,698**	**92,029**	**86,327**	**86,691**	**84,662**	**90,168**	**91,608**

The following methods / assumptions were used to estimate the fair values:

i. The carrying value of other bank balances, trade receivables, trade payables, floating – rate borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments being subject to floating – rates.

ii. The fair value of non – current financial assets, other long-term borrowing and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 financial assets / liabilities as of December 31, 2023, December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021:

Financial liabilities	Inputs used
Fixed Rate borrowings	Prevailing interest rates in market, future payouts, Interest rates

During the nine months ended December 31, 2023 and December 31, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements. None of the financial assets and financial liabilities are in Level 3.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

35 Ratios

The following are analytical ratios for the nine months ended December 31, 2023 and December 31, 2022

Ratio	Numerator	Denominator	December 31, 2023	December 31, 2022	% Variance	Reason for variance
Current Ratio - [no. of times]	Current Assets	Current Liabilites	0.41	0.59	(29.9%)	Decrease is majorly on account of increase in current liabilities.
Debt-equity Ratio - [no. of times]*	Non-Current borrowings (+) current borrowings (-) cash and cash equivalents	Equity	1.41	1.58	(10.5%)	Not applicable.
Debt service coverage ratio - [no. of times]	Profit before depreciation, amortisation, finance costs, exceptional items and tax	Interest expenses (+) principal repayments of long-term debt (+) payment of lease liabilities	4.17	3.22	29.5%	Increase is on account of increase in profit before depreciation, amortisation, finance costs, exceptional items and tax.
Return on equity ratio - [no. of times]	Profit / (loss) for the period	Average Equity	0.07	0.09	(27.9%)	Decrease is on account of increase in average equity during the current period.
Trade receivables turnover ratio - [no. of days]	Average trade receivables	Revenue from operations / no of days for the period	10	64	(84.3%)	Decrease is majorly on account of decrease in average trade receivables.
Net capital turnover ratio - [no. of times]	Revenue from operations	Working Capital (i.e. Current assets – Current liabilities)	(0.99)	(2.45)	59.5%	Increase is majorly on account of decrease in working capital.
Net profit ratio (%)	Profit / (loss) for the period	Revenue from operations	5.4%	7.2%	(24.7%)	Not applicable.
Return on capital employed (%)	EBIT	Average Capital Employed#	10.7%	7.6%	40.8%	Increase on account of increase in EBIT and decrease in average capital employed.
Return on investment	Income generated from investments	Time weighted average investment	3.89%	3.46%	12.6%	Not applicable.

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance	Reason for variance
Current Ratio - [no. of times]	Current Assets	Current Liabilites	0.47	0.65	(27.5%)	Decrease is majorly on account of decrease in trade receivables.
Debt-equity Ratio - [no. of times]*	Non-Current borrowings (+) current borrowings (-) cash and cash equivalents	Equity	1.48	1.94	(24.0%)	Increase is majorly on account of increase in EBITDA.
Debt service coverage ratio - [no. of times]	Profit before depreciation, amortisation, finance costs, exceptional items and tax	Interest expenses (+) principal repayments of long-term debt (+) payment of lease liabilities	3.42	0.90	280.1%	Not applicable.
Return on equity ratio - [no. of times]	Profit / (loss) for the year	Average Equity	0.14	0.59	76.5%	Decrease on account of lower PAT during the year.
Trade receivables turnover ratio - [no. of days]	Average trade receivables	Revenue from operations / no of days for the period	62	76	(17.6%)	Decrease is majorly on account of increase in revenue.
Net capital turnover ratio - [no. of times]	Revenue from operations	Working Capital (i.e. Current assets – Current liabilities)	(2.03)	(2.51)	19.1%	Not applicable.
Net profit ratio (%)	Profit / (loss) for the year	Revenue from operations	8.3%	31.0%	73.1%	Decrease on accounts of lower PAT during the year and increase in revenue.
Return on capital employed (%)	EBIT	Average Capital Employed#	10.7%	4.1%	(161.5%)	Increase on account of higher EBIT during the year.
Return on investment	Income generated from investments	Time weighted average investment	5.02%	3.13%	60.7%	Increase on account of income generated from investments.

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for variance
Current Ratio - [no. of times]	Current Assets	Current Liabilites	0.65	0.27	141.4%	Increase on account of higher trade receivable and cash balance as of date.
Debt-equity Ratio - [no. of times]*	Non-Current borrowings (+) current borrowings (-) cash and cash equivalents	Equity	1.94	2.99	(35.1%)	Decrease on account of increase in net debt during the year.
Debt service coverage ratio - [no. of times]	Profit before depreciation, amortisation, finance costs, exceptional items and tax	Interest expenses (+) principal repayments of long-term debt (+) payment of lease liabilities	0.90	0.86	4.9%	Not applicable.
Return on equity ratio - [no. of times]	Profit / (loss) for the year	Average Equity	0.59	(0.41)	243.6%	Increase on account of higher profits during the year.
Trade receivables turnover ratio - [no. of days]	Average trade receivables	Revenue from operations / no of days for the period	76	12	553.7%	Increase on account of higher debtors coupled with higher revenue from operations.
Net capital turnover ratio - [no. of times]	Revenue from operations	Working Capital (i.e. Current assets – Current liabilities)	(2.51)	(0.84)	(197.8%)	Decrease on account of higher working capital during the year.
Net profit ratio (%)	Profit / (loss) for the year	Revenue from operations	31.0%	(22.5%)	237.9%	Increase on account of higher profits during the year.
Return on capital employed (%)	EBIT	Average Capital Employed#	4.1%	(1.6%)	374.7%	Increase on account of higher EBIT during the year.
Return on investment	Income generated from investments	Time weighted average investment	3.13%	3.50%	(10.7%)	Not applicable.

*excluding lease liabilities
Average capital employed= Average of (Equity + Net Debt)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

36 Relationship with struck off companies

December 31, 2023

S No.	Name of struck off company	Nature of transactions	Balance outstanding as of December 31, 2023
1	CLIMAX TECHNOLOGIES PRIVATE LIMITED	Receivables	0
2	TRUEBLUE TOURS AND TAXI PRIVATE LIMITED	Receivables	0
3	S V ELECTRONICS LIMITED	Receivables	-
4	SHREE SANWARE ORGANIC PRIVATE LIMITED	Receivables	-
5	SARVCON TRAINING AND CONSULTANTS PRIVATELIMITED	Receivables	-

December 31, 2022

S No.	Name of struck off company	Nature of transactions	Balance outstanding as of December 31, 2022
1	ONLINE MANOJ PRIVATE LIMITED	Receivables	0
2	P C PATEL AGRO FARM PVT LTD	Receivables	0
3	SOLRAD (OPC) PRIVATE LIMITED	Receivables	0
4	TRUEBLUE TOURS AND TAXI PRIVATE LIMITED	Receivables	0
5	WORKOLEX SERVICES (OPC) PRIVATE LIMITED	Receivables	0
6	CLIMAX TECHNOLOGIES PRIVATE LIMITED	Receivables	-
7	SARVCON TRAINING AND CONSULTANTS PRIVATE LIMITED	Receivables	-
8	SHREE SANWARE ORGANIC PRIVATE LIMITED	Receivables	-
9	SOLARS4U INFRATECH PRIVATE LIMITED	Receivables	-

March 31, 2023

S No.	Name of struck off company	Nature of transactions	Balance outstanding as of March 31, 2023
1	ONLINE MANOJ PRIVATE LIMITED	Receivables	0
2	P C PATEL AGRO FARM PVT LTD	Receivables	0
3	SOLRAD (OPC) PRIVATE LIMITED	Receivables	0
4	TRUEBLUE TOURS AND TAXI PRIVATE LIMITED	Receivables	0
5	WORKOLEX SERVICES (OPC) PRIVATE LIMITED	Receivables	0
6	CLIMAX TECHNOLOGIES PRIVATE LIMITED	Receivables	-
7	SARVCON TRAINING AND CONSULTANTS PRIVATE LIMITED	Receivables	-
8	SHREE SANWARE ORGANIC PRIVATE LIMITED	Receivables	-
9	SOLARS4U INFRATECH PRIVATE LIMITED	Receivables	-

March 31, 2022

S No.	Name of struck off company	Nature of transactions	Balance outstanding as of March 31, 2022
1	Helpsure Multi-Trade Pvt Ltd	Receivables	0
2	MS SVHTECH PVTLTD	Receivables	-
3	STERING ENTERPRISES PRIVATE LIMITED	Receivables	-

(All amounts are in millions of Indian Rupee; unless stated otherwise)

March 31, 2021

S No.	Name of struck off company	Nature of transactions	Balance outstanding as of March 31, 2021
1	Helpsure Multi-Trade Pvt Ltd	Receivables	0
2	J K CEMENT PVT LTD	Payables	-
3	MS SVHTECH PVTLTD	Receivables	-
4	STERING ENTERPRISES PRIVATE LIMITED	Receivables	-

37 Statement of adjustments to restated financial information

Reconciliation between audited equity and restated equity

Particulars	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Total equity (as per audited financial statements)	44,161	40,075	42,095	36,605	19,860
Restatement adjustments	-	-	-	-	-
Restated equity as per statement of assets and liabilities	**44,161**	**40,075**	**42,095**	**36,605**	**19,860**

Reconciliation between audited profit and restated profit

Particulars	As of				
	December 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Profit / (loss) after tax (as per audited financial statements)	2,818	3,473	5,492	16,746	(10,339)
Restatement adjustments	-	-	-	-	-
Restated profit / (loss) after tax as per statement of profit and loss	**2,818**	**3,473**	**5,492**	**16,746**	**(10,339)**

38 Material regrouping

Appropriate re-groupings have been made in the summary of restated statement of assets and liabilities, summary of restated statement of profit and loss and summary of restated statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Company for the nine months ended December 31, 2023 respectively prepared in accordance with amended Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

39 Events after the reporting date

i. Subsequent to quarter ended December 31, 2023, the Company has redeemed 15,000 listed, unsecured, Non-Convertible Debentures ('NCDs'), of face value of Rs. 1 Mn each aggregating to Rs. 15,000 Mn with interest of Rs. 895 million on January 19, 2024.

OTHER FINANCIAL INFORMATION

The accounting ratios derived from the Restated Financial Information as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at and for the nine months period ended December 31, 2023*	As at and for the nine months period ended December 31, 2022*	As at and for Financial Year ended March 31, 2023	As at and for Financial Year ended March 31, 2022	As at and for Financial Year ended March 31, 2021
Earnings per share					
- Basic (in ₹)	5.64	6.95	10.98	33.49	(20.68)
- Diluted (in ₹)	5.64	6.95	10.98	33.49	(20.68)
RoNW (%)	7.08%	8.86%	13.83%	46.87%	(54.45%)
Net Asset Value per share (in ₹)	88.32	80.15	84.19	73.21	39.72
EBITDA (₹ in million)	25,764	20,910	28,884	18,985	11,373

******Not annualized*

Notes:

1) *Return on Net Worth means Profit for the year/period (net of tax) divided by the Net Worth at the end of the respective year/period.*
2) *Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company). For a detailed calculation of Net Worth, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*
3) *Net Asset Value per Equity Share is computed as total assets less total liabilities, divided by weighted average number of equity shares outstanding during the period/year. For a detailed calculation of Net Asset Value, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*
4) *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period, adjusted by the number of equity shares issued during the year/period multiplied by the time-weighting factor.*

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company as at and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the reports thereon (collectively, the "**Audited Financial Statements**") are available on our website at https://www.bhartihexacom.in/ipo.html.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company or any of its advisors, nor BRLMs nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Non-Generally Accepted Accounting Principles Financial Measures

Certain non-GAAP measures like EBITDA and EBITDA margin, Net Worth and Return on Net Worth, EBIT, Average net debt, Average capital employed, Return on capital employed, Net asset value per share, Net debt to EBITDA and operating cost as a percentage of revenue from operations and Debt to Equity ratio ("**Non-GAAP Measures**") presented in this Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See "*Risk Factors – 44. We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the telecommunications industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 58.

RELATED PARTY TRANSACTIONS

For details of the related party transactions for the nine months period ended December 31, 2023 and December 31, 2022 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 as per the requirements under Ind AS 24, see "*Financial Information – Restated Financial Information – Note 31. Related Party Disclosures.*" on page 314.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our "Restated Financial Information" on page 254. Unless otherwise indicated, the financial information herein is based on our Restated Financial Information included in this Red Herring Prospectus.

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 33 for a discussion of the risks and uncertainties related to those statements and also the sections "Risk Factors", "Industry Overview", "Restated Financial Information" and "Our Business" on pages 35, 120, 254 and 190, respectively, as well as financial and other information contained in this Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry the report titled "Assessment of telecom industry in India" dated March 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL, who were appointed by our Company pursuant to an engagement letter dated November 17, 2023, and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. The CRISIL Report is available on the website of our Company at https://www.bhartihexacom.in/ipo.html. Investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. See "Risk Factors—37. We have used information from the CRISIL Report, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information is subject to inherent risk." on page 55. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data" on page 30.*

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.

In this section, unless stated otherwise, references to 'our Company', 'we', 'us', 'our' are to Bharti Hexacom Limited.

Overview

We are a communications solutions provider offering consumer mobile services, fixed-line telephone and broadband services to customers in the Rajasthan and the North East telecommunication circles in India, which comprises the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. We offer our services under the brand 'Airtel'. We have a distinct strategy to premiumise our portfolio by acquiring and retaining quality customers and deliver an experience to them through our omnichannel approach and use of data science. We have a gamut of digital offerings to enhance customer engagement and differentiated customised offerings through family and converged plans under Airtel Black proposition, which has resulted in the continuous improvement of our revenue market share during the last three Fiscals. We undertake prudent cost optimisation measures to improve our profitability and maintain an efficient capital structure with a comfortable leverage position. We continuously invest in network expansion, technology advancement and judicious spectrum investments. As of December 31, 2023, we had invested ₹ 206 billion in capital expenditure in our future ready digital infrastructure. We also derive significant synergies from our relationship with our Promoter, Airtel, through the expansive digital infrastructure, digital experience and the digital services it provides to its customers.

Our revenue market share for the Rajasthan circle was 40.4%, 39.2%, 39.5%, 36.7% and 32.7%, while for the North East circle was 52.7%, 52.4%, 52.5%, 48.5% and 42.0% during the nine months ended December 31, 2023 and 2022 and Fiscals 2023, 2022 and 2021, respectively. We were at number one position in the North East circle during the nine months ended December 31, 2023 and Fiscals 2023 and 2022. In the Rajasthan circle, the market share gap between us and the market leader has narrowed between Fiscal 2021 and the nine months ended December 31, 2023 and we stood at the close second position during the nine months ended December 31, 2023. *(Source: CRISIL Report)* We have been able to consistently increase our ARPU for mobile services from ₹135 for Fiscal 2021 to ₹155 for Fiscal 2022 to ₹185 for Fiscal 2023 to ₹197 for the nine months ended December 31, 2023.

As of December 31, 2023, we were present in 486 census towns and had an aggregate of 27.1 million customers across both the circles. Our customer market share has grown consistently in Rajasthan from 33.1% as of March 31, 2021 to 35.0% as of December 31, 2023 and in the North East from 43.6% to 49.8% between the same dates. *(Source: CRISIL Report)* We have the highest number of Visitor Location Register ("**VLR**") customers (6.4 million) and a VLR market share of 52.3% in the North East circle and the second highest in the Rajasthan circle with 23.2 million customers and a VLR market share of 38.7%, as of December 31, 2023. *(Source: CRISIL Report)* As of the same date, our customer base included 19,144 thousand data customers, of which 18,839 thousand were 4G and 5G customers, and data consumption per customer per month stood at approximately 23.1 GB during the nine months ended December 31, 2023.

We rely on a robust network infrastructure with a mix of owned and leased assets. As of December 31, 2023, we utilized 24,874 network towers, of which we owned 5,092 towers, and the remaining 19,782 towers were leased from tower companies. We have a spectrum portfolio with varied pool of mid band spectrum (1800/2100/2300 MHz bands), which has enabled us to offer 5G Plus services on the widely chosen non-standalone network architecture and at a low cost of ownership. *(Source: CRISIL Report)* This has enabled us to save a significant amount of capital towards sub-GHz spectrum for 5G roll out and additional capital expenditure required to be spent on network infrastructure to deploy the same. During the nine months ended December 31, 2023 and 2022 and Fiscals 2023, 2022 and 2021, our capital expenditure was ₹ 16,003 million, ₹ 25,577 million, ₹ 30,518 million, ₹ 8,745 million and ₹ 15,767 million, or 30.65%, 52.77%, 46.39%, 16.18% and 34.26% of our revenue from operations, respectively.

We have an extensive distribution and service network across the regions we operate in and during the nine months ended December 31, 2023 and the last three Fiscals, we have set up 51 retail outlets and 24 small format stores to reach 90 cities, as of December 31, 2023. As of December 31, 2023, our distribution network comprised 616 distributors and 89,454 retail touchpoints.

Our Company was originally incorporated in 1995 as 'Hexacom India Limited'. In 2004, the name of our Company was changed to 'Bharti Hexacom Limited' when Airtel acquired a majority equity interest in our Company. Airtel owns 70% of our outstanding equity share capital, as of the date of this Red Herring Prospectus. Airtel is a global communications solutions provider with over 500 million customers in 17 countries across South Asia and Africa. It is among the top global mobile operators in terms of number of customers and is India's largest integrated communications solutions provider in terms of consolidated operating revenue as of Fiscal 2023. *(Source: CRISIL Report)* Airtel's retail portfolio includes mobile services, fixed-line telephone, broadband services and Digital TV services. Airtel Xstream Fiber is a one-stop solution for all the high-speed internet and content needs of customers with convergence across linear and on-demand entertainment, streaming services spanning music and video. For enterprise customers, Airtel also offers a gamut of solutions that include secure connectivity, cloud and data center services, cyber security, IoT, Ad Tech and CPaaS (Airtel IQ). Its flywheel of digital services include the Airtel Payments Bank, Wynk Music, Airtel Ads, Airtel IQ and Nxtra by Airtel.

The Government of India through Telecommunications Consultants India Limited ("**TCIL**") owns 30% of our outstanding equity share capital. TCIL is an engineering and consultancy company and was set up in 1978 for providing Indian telecom expertise in all fields of telecom and information technology to developing countries around the world. Its core competence is in the fields of switching, transmission systems, cellular services, rural telecommunication, optical fibre based backbone transmission systems, information technology and networking solutions, application software, e-Governance, 4G/5G, FTTH, VOIP, Wi-Fi surveillance, cyber security and civil construction and project management consultancy services. The financial details of TCIL for the financial years 2023, 2022 and 2021 are as follows:

(₹ in million, unless specified)

	Financial Year 2023	**Financial Year 2022**	**Financial Year 2021**
Reserves (Excluding Revaluation Reserve)	16,528.22	14,680.39	9,640.18
Sales	19,898.13	15,881.93	17,594.93
Profit/(Loss) after Tax	2,144.17	5,326.35	(2,536.01)
Earnings per Share (Basic) (in ₹)	36.22	89.97	(42.84)
Earnings per Share (Diluted) (in ₹)	36.22	89.97	(42.84)
Net Asset Value	16,370.53	14,582.2	9,595.17
Share capital	592.00	592.00	592.00
Net worth	17,120.22	15,272.39	10,232.18

On a consolidated basis.

The following table sets forth certain key information of our Company for the periods indicated:

Particulars	Unit	As of and for the nine months ended December 31,		As of and for the year ended March 31,		
		2023	2022	2023	2022	2021
Revenue from operations	₹ in million	52,208	48,465	65,790	54,052	46,023
Revenue from mobile services	₹ in million	50,696	47,354	64,247	52,976	45,300
Revenue from mobile services as a percentage of revenue from operations	%	97.10%	97.71%	97.65%	98.01%	98.43%
Revenue from home and office services	₹ in million	1,512	1,111	1,543	1,076	723
Revenue from home and office services as a percentage of revenue from operations	%	2.90%	2.29%	2.35%	1.99%	1.57%
Total income	₹ in million	54,208	49,424	67,192	54,940	47,043
EBITDA[1]	₹ in million	25,764	20,910	28,884	18,985	11,373
EBITDA Margin[1]	%	49.35%	43.14%	43.90%	35.12%	24.71%
Re-stated Profit/(Loss) for the period*	₹ in million	2,818	3,473	5,492	16,746	(10,339)
ARPU for mobile services as per TRAI[2#]	₹	211	201	203	168	146
ARPU for mobile services[3]	₹	197	184	185	155	135
ARPU for fixed-line telephone and broadband services[3]	₹	544	610	598	683	774
Customer base for mobile services as per TRAI[#]	million	29.3	27.8	28.4	27.4	27.4
Customer base for fixed-line telephone and broadband services as per TRAI[#]	million	0.3	0.2	0.2	0.1	0.1
Customer base for mobile services[4]	000's	26,782	25,479	25,827	24,767	24,979
Customer base for fixed-line telephone and broadband services[4]	000's	289	198	219	131	70
Return on capital employed[5]	%	10.68%	7.58%	10.72%	4.10%	(1.58)%
Net Debt[6] to EBITDA[1]	number	2.9	3.8	2.8	4.7	6.8
Net worth[7]	₹ in million	39,788	39,202	39,722	35,732	18,987

[1] *EBITDA is calculated as re-stated profit before depreciation, amortization, finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities. EBITDA Margin (%) is calculated as EBITDA (excluding interest income and net gain on marketable securities) divided by Revenue from operations. For a reconciliation of EBITDA and EBITDA Margin, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

[2] *For internal ARPU computation purposes, we use stringent definition of customer base in terms of revenue earning customer ("**REC**") which means customers who have performed any activity i.e. call/SMS/data usage, in the last 30 days. In contrast, in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).*

[3] *ARPU is a factor of revenue earned from customers divided by REC base. For internal ARPU computation purposes, we use stringent definition of customer base in terms of REC which means customers who have performed any activity i.e. call/SMS/data usage, in the last 30 days. In contrast, in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).*

[4] *Our Company uses a stringent definition of customer base in terms of REC and accordingly such numbers are different from TRAI published Telecom Subscription Data.*

[5] *Return on Capital Employed is calculated as EBIT for the year/ period divided by average capital employed. EBIT is calculated as re-stated profit before finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities. Average capital employed is calculated as total of average equity plus average net debt. For a reconciliation of Return on Capital Employed, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

[6] *Net Debt is calculated as total of non-current and current borrowings plus non-current and current lease liabilities minus cash and cash equivalents and investments. For a reconciliation of Net Debt, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

[7] *Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company). For a reconciliation of net worth, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Non-GAAP measures" on page 357.*

* *During the nine months ended December 31, 2023 and Fiscals 2022 and 2021, re-stated profit/ (loss) for the period includes exceptional items. For further information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations" on page 357.*

[#] *As reported by TRAI.*

Significant Factors Affecting Our Results of Operations

Operations in Two Telecommunication Circles

We offer our services under the 'Airtel' brand to customers in Rajasthan and the North East telecommunication circles in India, which comprises the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. We are, therefore dependent on these two circles for our revenues. Set forth below are the revenues we derive from these two circles:

Particulars	Nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
Revenue from mobile services in the Rajasthan and North East circles (₹ million)	50,696	47,354	64,247	52,976	45,300
Revenue from mobile services in the Rajasthan and North East circles, as a percentage of revenue from operations (%)	97.10%	97.71%	97.65%	98.01%	98.43%
Revenue from home and office services in the Rajasthan and North East circles (₹ million)	1,512	1,111	1,543	1,076	723
Revenue from home and office services in the Rajasthan and North East circles, as a percentage of revenue from operations (%)	2.90%	2.29%	2.35%	1.99%	1.57%

According to the CRISIL Report, the number of telecom customers in the Rajasthan circle increased at a CAGR of approximately 2.1%, from 53.6 million in Fiscal 2014 to 64.4 million in Fiscal 2023. CRISIL expects the telecom customer base in the Rajasthan circle to grow at 1.4% - 1.5% from Fiscal 2023 to reach 69 million to 69.5 million customers in Fiscal 2028. At the same time, the internet customer base in Rajasthan has exhibited significant growth, increasing from 12.5 million during Fiscal 2014 to 46.9 million during Fiscal 2023, at a CAGR of approximately 15.8% and outperforming the overall Indian internet customer CAGR of 14.9% in the same period. (*Source: CRISIL Report*) The total number of internet customers in Rajasthan is projected to reach 54.0 million to 54.5 million by Fiscal 2025. (*Source: CRISIL Report*) Similarly, the number of telecom customers in the North East circle increased at a CAGR of approximately 3.1%, from 9.6 million in Fiscal 2014 to 12.6 million in Fiscal 2023. In the medium term, CRISIL expects the telecom customer base in the North East circle to grow at 1.0% - 1.5% CAGR to reach 13.2 million to 13.5 million in Fiscal 2028. The internet customer base in the North East has grown at a CAGR of approximately 13.9% between Fiscals 2014 and 2023 to reach approximately 9.7 million customers. CRISIL expects internet customers in the North East to reach 12.5 million to 13.5 million by Fiscal 2028, at a CAGR of 6% - 7%. (*Source: CRISIL Report*) We may be required to set up additional infrastructure in these circles to expand the reach of our services, and adopt region specific strategies to penetrate rural regions. Our revenues depend on the demand for telecom and broadband services in these circles, and our ability to provide these in a cost-efficient manner.

Mobile Customer Base and Capital Requirements

We operate in a capital-intensive industry with relatively long gestation periods. Our funding requirements are primarily for acquiring licenses, purchase of spectrum, network deployment and continued network expansion and upgrades, technological advancements and general corporate purposes. The actual amount and timing of our future capital requirements are dependent on the future spectrum allocation schedule and estimated costs of establishing, expanding or upgrading our networks. We seek to meet a substantial portion of these funding requirements through our operating cash flows. To the extent that our capital requirements exceed available resources, we will be required to seek additional debt or equity financing. As we continue to grow our operations, we may be required to expand our mobile network coverage and capacity to accommodate customer base growth and increases in usage, which may require the purchase of additional spectrum and other capital expenditures. Set forth below are details of our customer base in the corresponding periods:

Particulars	As of and for the nine	As of and for the year ended March 31,

	months ended December 31,				
	2023	2022	2023	2022	2021
Customer base for mobile services(1) *(thousands)*	26,782	25,479	25,827	24,767	24,979
Customer base for fixed-line telephone and broadband services(1) *(thousands)*	289	198	219	131	70

Note:

(1) *Our Company uses a stringent definition of customer base in terms of REC and accordingly such numbers are different from TRAI published Telecom Subscription Data.*

Increase in our capital expenditure affect cash flows, interest expense (to the extent they are funded by debt) and depreciation and amortization charge.

Our ability to obtain additional financing will depend on a number of factors, including our future financial condition, results of operations and cash flows, general market conditions for telecommunications companies and economic, political and other conditions in the markets where we operate. Our ability to finance our capital needs, and secure other financing when needed, on acceptable terms, is a key factor in the operation of our business.

Tariff, Pricing Levels and Average Revenue Per User ("ARPU")

We strategically focus on upgrading customers from 2G to 4G and attracting them based on our simplified post-paid offerings, which has helped us grow our ARPU without tariff hikes, and enables us to premiumise our portfolio. Growing GSDP and per capita income has led to growth in high income homes in the circles in which we operate, who contribute significantly to a company's revenue through monthly spending, subscription for bundled plans and use of value-added services. Set forth below are details of our ARPU in the corresponding periods:

Particulars	As of and for the nine months ended December 31,		As of and for the year ended March 31,		
	2023	2022	2023	2022	2021
ARPU for mobile services(1) (₹)	197	184	185	155	135
ARPU for fixed-line telephone and broadband services(1) (₹)	544	610	598	683	774

Note:

(1) *ARPU is a factor of revenue earned from customers divided by revenue earning customer ("**REC**") base. For internal ARPU computation purposes, we use stringent definition of customer base in terms of REC which means customers who have performed any activity i.e. call/SMS/data usage, in the last 30 days. In contrast, in TRAI reporting, customer reporting is basis 90 days active customers (as per TRAI guidelines).*

We have been expanding our product suite to offer innovative bundling through partnership models for content. We strive to keep our tariff plans affordable, transparent and easy to understand. Our product offerings, carefully curated by our Promoter, Airtel, aim to simplify and offer uniform pricing across the country with the objective of improving market share. These offerings must also be priced competitively in order to appeal to customers in our circles and increase sales, while allowing for the premiumization that drives up ARPU. Any change in our pricing structure, either as a result of governmental or regulatory tariff policies or in response to competition, could lead to variation in our sales or ARPU, which would consequently determine our financial performance.

Regulations and Licenses

The telecom sector in India is dependent on the regulatory environment governing it and is prone to imposition of new regulations and changes in existing regulations. The sector is regulated by the DoT and the Telecom Regulatory Authority of India (the "**TRAI**"), among other regulatory bodies.

In order to provide GSM based mobile telecommunications services or 4G or 5G services in a particular circle, we are required to hold a valid license and spectrum for such circle. We have made significant investments in our network and spectrum for our data services through the increase of 4G sites in the past few years. As of December 31, 2023, we have an aggregate of 65 MHz (in paired terms) and 1,880 MHz (in unpaired terms) of spectrum across different frequency bands, which can be used towards deployment of any technology (2G, 3G, 4G or 5G). For further details, see "*Our Business – Business Operations – Licenses and Regulations*" on page 202. Our licenses and spectrum allocations are subject to the terms and conditions contained in the licenses and notice inviting applications for various spectrum auctions. As technology evolves and our customer base grows, we may need to acquire additional spectrum to enhance our service offerings.

Competition

Our revenue market share for the Rajasthan circle was 40.4%, 39.2%, 39.5%, 36.7% and 32.7%, while for the North East circle was 52.7%, 52.4%, 52.5%, 48.5% and 42.0% during the nine months ended December 31, 2023 and 2022 and Fiscals 2023, 2022 and 2021, respectively. We were at number one position in the North East circle during the nine months ended December 31, 2023 and Fiscals 2023 and 2022. In the Rajasthan circle, the market share gap between us and the market leader has narrowed between Fiscal 2021 and the nine months ended December 31, 2023 and we stood at the close second position during the nine months ended December 31, 2023. *(Source: CRISIL Report)* The telecommunication industry is capital intensive and highly competitive and to survive, players consolidate through mergers and acquisitions as they look to upgrade technologically, increase customer base or widen product diversification. (*Source: CRISIL Report*) In India, for instance, the entry of Reliance Jio in 2016 sparked aggressive price wars, consolidating the industry to five players. (*Source: CRISIL Report*)

Competition may affect our customer growth and profitability by causing our customer base to decline and cause both a decrease in tariff rates and ARPU as well as an increase in customer churn and selling and promotional expenses. Mobile number portability enables customers to switch their mobile telecommunication service providers without changing their phone numbers. This could lead to greater movement of customers among providers of mobile telecommunications services, which could increase our marketing, distribution and administrative costs, slow growth in customers and reduce revenues. We, along with our competitors, may also be subject to competition from providers of new telecommunication services as a result of technological developments and the convergence of various telecommunication services. For more information on the competitive landscape of our various operations, see "*Risk Factors – 23. We face intense competition that may reduce our market share and lower our profits*" on page 49. If we do not compete effectively, we could experience market share erosion, reduction in tariffs and increase in our marketing and other expenses, which could adversely affect our profitability, as it would cause us to experience lower revenue and additional selling costs to replace customers and recapture lost revenue.

Basis of Preparation

These Restated Financial Information comprise of the Restated Statement of Assets and Liabilities as at December 31, 2023, December 31, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Loss), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the nine months period ended December 31, 2023 and December 31, 2022 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the Summary of Material Accounting Policies and explanatory notes (collectively, the "**Restated Financial Information**").

Summary of Material Accounting Policies

Key sources of estimation uncertainties and critical judgements

The estimates and judgements used in the preparation of the said Restated Financial Information are continuously evaluated by our Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that our Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although our Company regularly assesses these estimates, actual results could differ materially from these estimates, even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the Restated Financial Information in the period in which they become known.

Key sources of estimation uncertainties

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

Useful lives of PPE

Our Company reviews the estimated useful lives of PPE at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, our Company has determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges.

Taxes

Deferred tax assets are recognised for the unused tax losses for which there is probability of utilisation against the future taxable profit. Significant management judgement 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, future tax planning strategies and recent business performances and developments.

Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

Contingent Liabilities and provisions

Our Company is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to our Company. Our management, in consultation with legal, tax and other advisers assess the likelihood that a pending claim will succeed. Our Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

Critical judgements in applying our Company's accounting policies

Revenue recognition and presentation

Our Company assesses its revenue arrangements in order to determine if it is acting as a principal or as an agent by determining whether it has primary obligation basis pricing latitude and exposure to credit / inventory risks associated with the sale of goods / rendering of services. In the said assessment, both the legal form and substance of the agreement are reviewed to determine each party's role in the transaction.

Separating lease and non-lease components

The consideration paid by our Company in telecommunication towers' lease contracts include the use of land and passive infrastructure as well as maintenance, security, provision of energy services etc. Therefore, in determining the allocation of consideration between lease and non-lease components, for the additional services that are not separately priced, our Company performs analysis of cost split to arrive at relative stand-alone prices of each of the components. The bifurcation of the consideration paid (excluding energy) between lease versus non-lease component across our Company has been accordingly considered at 60% as lease component on an overall basis.

Determining the lease term

Under Ind AS 116, if it is reasonably certain that a lease will be extended / will not be early terminated, our Company is required to estimate the expected lease period which may be different from the contractual tenure. Our Company has various tower lease agreements with a right to extend / renew / terminate wherein it considers the nature of the contractual terms and economic factors to determine the lease term. After assessing such factors, the lease liability has been calculated using the remaining lease period until which significant exit penalties are payable.

Determining the incremental borrowing rate for lease contracts

The initial recognition of lease liabilities at present value requires the identification of an appropriate discount rate. Our Company has determined the incremental borrowing rate based on considerations specific to the leases by taking consideration of the risk free borrowing rates as adjusted for country / company specific risk premiums (based on readily available data points).

Basis of measurement

The Restated Financial Information have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss ("**FVTPL**"), which are measured at fair value.

Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or a liability can be transferred, in an orderly transaction between market participants. Our Company's accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the Restated Financial Information.

Our Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the restated financial information, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, our 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.

The three levels of the fair-value-hierarchy are described below:
Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets
Level 2: Significant inputs to the fair value measurement are directly or indirectly observable
Level 3: Significant inputs to the fair value measurement are unobservable

Foreign currency transactions

The Restated Financial Information are presented in Indian Rupee which is the functional and presentation currency of our Company.

Transactions in foreign currencies are initially recorded in the relevant functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement/ settlement, recognised in the Restated Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value). The resulting foreign exchange difference, on subsequent re-statement/ settlement, is recognised in the Restated Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

Current versus non-current classification

Our Company presents assets and liabilities in the Restated Statement of Assets and Liabilities based on current/ non-current classification. Deferred tax assets and liabilities, and all assets and liabilities which are not current are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Property, plant and equipment ("PPE")

An item is recognised as an asset if and only if it is probable that the future economic benefits associated with the item will flow to our Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), asset retirement obligations and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and impairment losses, if any. When significant parts of PPE are required to be replaced at regular intervals, our Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the Restated Statement of Assets and Liabilities and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

Cost of assets not ready for intended use, as on the Restated Statement of Assets and Liabilities date, is shown as capital work-in-progress, advances given towards acquisition of PPE outstanding at each Restated Statement of Assets and Liabilities date are disclosed under other non- current assets.

The expenditures that are incurred after the item of PPE has been available to use, such as repairs and maintenance, are normally charged to the Restated Statement of Profit and Loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to our Company, it is included in the asset's carrying value or as a separate asset, as appropriate. Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful life, which is at variance with the life prescribed in Part C of Schedule II of the Companies Act and has accordingly, depreciated the assets over such useful life. Our Company has established the estimated range of useful lives for different categories of PPE as follows:

Categories	**Years**
Buildings	20
Building on leased land	Lease term or 20 years, whichever is less
Leasehold improvements	Lease term or 20 years, whichever is less
Plant and equipment - Network equipment (including passive infrastructure)	3 – 25
- Customer premise equipment	3 – 5
Computers / servers	3 – 5
Furniture, fixtures and office equipment	2 – 5
Vehicles	3 – 5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at least as at each financial year end so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the Restated Statement of Assets and Liabilities and the resulting gains / losses are included in the Restated Statement of Profit and Loss within other income / other expenses.

Intangible assets

Intangible assets are recognised when our Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to our Company and the cost of the asset can be measured reliably. The intangible assets are initially recognised at cost. Those assets having finite useful life are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is computed using the straight-line method over the expected useful life of intangible assets. Our Company has established the estimated useful lives of different categories of intangible assets as follows:

Software

Software is amortised over the period of license, generally not exceeding five years.

Licenses (including spectrum)

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful lives ranges up to twenty years. The revenue-share based fee on licenses / spectrum is charged to the Restated Statement of Profit and Loss in the period such cost is incurred.

Other acquired intangible assets

Other acquired intangible assets include the following:

Non-compete fee: Over the period of the agreement which ranges up to five years.

The useful lives and amortisation method are reviewed, and adjusted appropriately, at-least at each financial year end so as to ensure that the method and period of amortisation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and/ or amortisation method is accounted for prospectively, and accordingly the amortisation is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development ("**IAUD**") includes the amount of spectrum allotted to our Company and related costs (including borrowing costs) that are directly attributable to the acquisition or construction of qualifying assets, if any, for which services are yet to be rolled out and are presented separately in the Restated Statement of Assets and Liabilities.

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 Restated Statement of Profit and Loss when the asset is derecognised.

Impairment of non-financial assets

PPE, right-of-use assets ("ROU"), intangible assets and IAUD

PPE (including capital work-in-progress ("**CWIP**")), ROU and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. IAUD is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value in use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ("**CGU**") level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the Restated Statement of Profit and Loss is measured by the amount by which the carrying value of the asset/ CGU exceeds their estimated recoverable amount and allocated on pro rata basis. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Reversal of impairment losses

Impairment losses are reversed in Restated Statement of Profit and Loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset/ CGU previously.

Financial instruments

Recognition, classification and presentation

The financial instruments are recognised in the Restated Statement of Assets and Liabilities when our Company becomes a party to the contractual provisions of the financial instrument.

Our Company determines the classification of its financial instruments at initial recognition.

Our Company classifies its financial assets in the following categories: (i) those to be measured subsequently at fair value through profit or loss, and (ii) those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Our Company has classified all the non-derivative financial liabilities as measured at amortised cost. Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the Restated Statement of Assets and Liabilities, if and only when, our Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Measurement – Non derivative financial instruments

Initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. All financial liabilities are recognised initially at fair value, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the Restated Statement of Profit and Loss.

Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective-interest rate ("**EIR**") method (if the impact of discounting/ any transaction costs is significant). Interest income from these financial assets is included in other income.

Financial assets at fair value through profit or loss

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL. Interest (basis EIR method) from financial assets at FVTPL is recognised in the Restated Statement of Profit and Loss within other income separately from the other gains/ losses arising from changes in the fair value.

Impairment

Our Company assesses on a forward looking basis the expected credit losses ("**ECL**") associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve months, ECL is used to provide for impairment loss, otherwise lifetime ECL is used. However, only in case of trade receivables, our Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Subsequent measurement - financial liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant).

Derecognition

The financial liabilities are de-recognised from the Restated Statement of Assets and Liabilities when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the Restated Statement of Assets and Liabilities when the rights to receive cash flows from the financial assets have expired, or have been transferred and our Company has transferred substantially all risks and rewards of ownership. The difference in the carrying amount is recognised in the Restated Statement of Profit and Loss.

Leases

Our Company, at the inception of a contract, assesses the contract as, or containing, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, our Company assesses whether the contract involves the use of an identified asset, our Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and our Company has the right to direct the use of the asset.

Company as a lessee

Our Company recognises a ROU and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the Restated Statement of Assets and Liabilities. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate (as the rate implicit in the lease cannot be readily determined). Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments) and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the ROU, or is recorded in profit or loss if the carrying amount of the related ROU has been reduced to zero and there is a further reduction in the measurement of the lease liability. ROU are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date and any initial direct costs less any lease incentives received.

Subsequent to initial recognition, ROU are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. The estimated useful lives of ROU are determined on the same basis as those of the underlying asset. In the Restated Statement of Assets and Liabilities, the ROU and lease liabilities are presented separately. In the Restated Statement of Profit and Loss, interest expense on lease liabilities are presented separately from the depreciation charge for the ROU. Interest expense on the lease liability is a component of finance costs, which are presented separately in the Restated Statement of Profit and Loss. In the Restated Statement of Cash Flows, cash payments for the principal portion of lease payments and the interest portion of lease liability are presented as financing activities, and short-term lease payments and payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability, if any, as operating activities.

When a contract includes lease and non-lease components, our Company allocates the consideration in the contract on the basis of the relative stand-alone prices of each lease component and the aggregate standalone price of the non-lease components.

Short-term leases and leases of low-value assets

Our Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of twelve months or less and leases of low value assets. Our Company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Amounts due from lessees under a finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to the periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and depreciated on a straight line basis over the lease term.

When a contract includes lease and non-lease components, our Company applies Ind AS 115 'Revenue from Contracts with Customers' to allocate the consideration under the contract to each component. Our Company enters into 'Indefeasible right to use' ("**IRU**") arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with our Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Restated Statement of Assets and Liabilities.

Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the Restated Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

Current tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of our Company's income tax obligation for the period are recognised in the Restated Statement of Assets and Liabilities under assets as income tax assets / under current liabilities as current tax liabilities. Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

Our Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. Our Company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If our Company concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If our Company concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Restated Financial Information. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets/ liabilities recognised for temporary differences arising from a business combination, affect the amount of goodwill or the bargain purchase gain that our Company recognises. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which our Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Our Company considers the projected future taxable income and tax planning strategies in making this assessment. The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled. Income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Restated Statement of Assets and Liabilities, if and only when, (i) our Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (ii) when it relate to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

Cash and cash equivalents ("C&CE")

C&CE includes cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of C&CE and subject to an insignificant risk of changes in value). However, for the purpose of the Restated Statement of Cash Flows, in addition to above items, any bank overdrafts/ cash credits that are integral part of our Company's cash management, are also included as a component of C&CE.

Equity share capital

Ordinary shares are classified as equity when our Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of our Company and there is no contractual obligation whatsoever to that effect.

Employee benefits

Our Company's employee benefits mainly include wages, salaries, bonuses, defined contribution plans, defined benefit plans, compensated absences and deferred compensation. The employee benefits are recognised in the year in which the associated services are rendered by our employees. Short-term employee benefits are recognised in Restated Statement of Profit and Loss at undiscounted amounts during the period in which the related services are rendered.

Defined contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. Our Company has no further obligations under these plans beyond its periodic contributions.

Defined benefit plans

In accordance with the local laws and regulations, all the employees in India are entitled to the gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula. Our Company provides for the liability towards the said plans on the basis of actuarial valuation carried as at the reporting date, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the Restated Statement of Assets and Liabilities, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest expense is calculated by applying the above mentioned discount rate to defined benefits obligations. The interest expenses on the defined benefits obligations are recognised in the Restated Statement of Profit and Loss. However, the related re-measurements of the defined benefits obligations are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the Restated Statement of Profit and Loss in any of the subsequent periods.

Other long-term employee benefits

The employees of our Company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefits comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

Our Company provides for the liability towards the said benefits on the basis of actuarial valuation carried as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the Restated Statement of Profit and Loss in the period in which they arise.

Provisions

General

Provisions are recognised when our Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to settle the relevant obligation (if the impact of discounting is significant), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to un-winding of interest over passage of time is recognised within finance costs.

Asset retirement obligations ("ARO")

ARO are recognised for those lease arrangements where our Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

Contingencies

A disclosure for a contingent liability is made when there is are possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the customer at the consideration which our Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. When determining the consideration to which our Company is entitled for providing promised products or services via intermediaries, our Company assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which our Company is entitled is determined to be that received from the intermediary. Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

Service revenues

Service revenues mainly pertain to usage, subscription and customer onboarding charges for voice, data, messaging and other value added services. It also includes revenue from interconnection/ roaming charges for usage of our Company's network by other operators for voice, data, messaging and signaling services.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over our Company's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

Our Company recognises revenue from these services as they are provided. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services to be provided. Subscription charges are recognised over the subscription pack validity period. Customer onboarding revenue is recognised upon successful onboarding of customer i.e. upfront. Revenue in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers.

Service revenues also includes revenue from interconnection / roaming charges for usage of our Company's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services over time. Certain business services revenues include revenue from registration and installation, which are amortised over the period of agreement since the date of activation of service.

Costs to obtain or fulfil a contract with a customer

Our Company incurs certain costs to obtain or fulfil contracts with customers viz. intermediary commission, etc. Our Company estimated that the average customer life derived from customer churn rate is longer than 12 months and hence our Company deferred such costs. Such costs are thus recognized over the average expected customer life.

Interest income

Interest income is recognised using the EIR method.

Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and our Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the Restated Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, PPE are included in non-current liabilities as deferred income and are credited to Restated Statement of Profit and Loss on a straight line basis over the expected lives of the related assets.

Borrowing costs

Borrowing costs consist of interest and other ancillary costs that our Company incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All the other borrowing costs are recognised in the Restated Statement of Profit and Loss within finance costs in the period in which they are incurred.

Exceptional items

Exceptional items refer to items of income or expense within the Restated Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of our Company.

Earnings per share ("EPS")

Our Company presents Basic and Diluted EPS.

Basic EPS is computed by dividing the profit for the year attributable to the shareholders of our Company by the weighted average number of shares outstanding during the period. Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the year, unless issued at a later date during the period.

Dividends Paid

Dividend to shareholders is recognised as a liability on the date of approval by the shareholders. However, interim dividend is recorded as a liability on the date of declaration by our Company's Board of Directors.

Changes in Accounting Policies

There have been no changes in our accounting policies during the nine months ended December 31, 2023, December 31, 2022 and Fiscal 2023, 2022 and 2021.

SEGMENT INFORMATION IN ACCORDANCE WITH IND AS 108 – OPERATING SEGMENTS

The reporting segments of our Company are as below:

- **Mobile Services:** These services cover voice and data telecom services provided through wireless technology (2G/4G/5G).

- **Homes and Office Services:** These services cover voice and data communications through fixed-line network and broadband technology for homes and offices.

Below is the summary of the segmental information for the years/ periods indicated:

Particulars	For the nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
	(₹million)				
Mobile Services					
Revenue from external customers	50,696	47,354	64,247	52,976	45,300
Inter segment revenue	283	198	377	265	151
Total Revenue	50,979	47,552	64,624	53,241	45,451
Segment results	12,854	9,166	13,200	4,461	(980)
Homes and Office Services					
Revenue from external customers	1,512	1,111	1,543	1,076	723
Inter segment revenue	-	-	-	-	-
Total Revenue	1,512	1,111	1,543	1,076	723
Segment results	116	160	151	117	(412)

NON-GAAP MEASURES

Certain measures such as EBITDA, EBITDA Margin, and Return on Capital Employed (together, "**Non-GAAP Measures**"), presented in this Red Herring Prospectus are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS, US GAAP or any other GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS, US GAAP or any other GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS, US GAAP or any other GAAP. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating or financial performance. For further information, see "*Risk Factors – 44. We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the telecommunications industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies*" on page 58.

Reconciliation of Non-GAAP measures

The following tables set out reconciliation for certain non-GAAP measures included in this Red Herring Prospectus, for the periods/ years specified:

EBITDA and EBITDA Margin

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Re-stated Profit before depreciation, amortisation, finance costs, tax and exceptional items (A)	26,834	21,116	29,259	19,028	11,544
Interest Income (B)	698	75	85	24	38
Net gain on marketable securities (C)	372	131	290	19	133
EBITDA* (D= A-B-C)	**25,764**	**20,910**	**28,884**	**18,985**	**11,373**
Revenue from operations (E)	52,208	48,465	65,790	54,052	46,023
EBIDTA Margin% (F=D/E)**	**49.35%**	**43.14%**	**43.90%**	**35.12%**	**24.71%**

**EBITDA is calculated as re-stated profit before depreciation, amortization, finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities.*

***EBITDA Margin (%) is calculated as EBITDA (excluding interest income and net gain on marketable securities) divided by Revenue from operations.*

Net Worth and Return on Net Worth

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Equity share capital (A)	2,500	2,500	2,500	2,500	2,500
Other equity (B)	41,661	37,575	39,595	34,105	17,360
Total Equity (C= A+B)	44,161	40,075	42,095	36,605	19,860
Capital reserve (D)	873	873	873	873	873
Capital redemption reserve (E)	0	0	0	0	0
Debenture redemption reserve (F)	3,500	-	1,500	-	-
Net Worth* (G=C-D-E-F)	**39,788**	**39,202**	**39,722**	**35,732**	**18,987**
Re-stated profit for the period/year (H)	**2,818**	**3,473**	**5,492**	**16,746**	**(10,339)**
Return on Net Worth (%) (I=H/G)**	**7.08%**	**8.86%**	**13.83%**	**46.87%**	**(54.45)%**

Return on Net Worth for the nine months ended December 31, 2023 and December 31, 2022 are not annualised.

**Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with disclosure made under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to stock exchange by the Company).*

***Return on Net Worth (%) is calculated as re-stated profit for the year/period (net of tax) divided by the Net Worth at the end of the respective year/period.*

EBIT

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Re-stated Profit before depreciation, amortisation, finance costs, tax and exceptional items (A)	26,834	21,116	29,259	19,028	11,544
Interest Income (B)	698	75	85	24	38

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Net gain on marketable securities (C)	372	131	290	19	133
Depreciation and amortisation expenses (D)	12,794	11,584	15,533	14,410	12,852
EBIT* (E=A-B-C-D)	**12,970**	**9,326**	**13,351**	**4,575**	**(1,479)**

**EBIT is calculated as re-stated profit before finance costs, tax and exceptional items for the year/period, less interest income and net gain on marketable securities.*

Average net debt

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Net debt (Closing)					
Non-current borrowings (A)	26,923	60,649	47,299	48,078	36,926
Current borrowings (B)	35,607	2,849	15,394	23,905	22,826
Non-current lease liabilities (C)	27,635	23,324	25,451	15,303	13,119
Current lease liabilities (D)	4,157	3,790	3,892	3,398	4,864
Cash and cash equivalents (E)	247	337	555	885	277
Investments (F)	18,358	10,311	10,460	490	-
Net debt (Closing) (G= A+B+C+D-E-F)	**75,717**	**79,964**	**81,021**	**89,309**	**77,458**
Net debt (opening)					
Non-current borrowings (H)	47,299	48,078	48,078	36,926	10,446
Current borrowings (I)	15,394	23,905	23,905	22,826	41,463
Non-current lease liabilities (J)	25,451	15,303	15,303	13,119	12,717
Current lease liabilities (K)	3,892	3,398	3,398	4,864	4,131
Cash and cash equivalents (L)	555	885	885	277	2,779
Investments (M)	10,460	490	490	-	6,254
Net debt (opening) (N=H+I+J+K-L-M)	**81,021**	**89,309**	**89,309**	**77,458**	**59,724**
Average net debt (O=(G+N)/2)	**78,369**	**84,637**	**85,165**	**83,384**	**68,591**

Average Capital Employed

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Average Equity* (A)	43,128	38,340	39,350	28,232	25,030
Average net debt (B)	78,369	84,637	85,165	83,384	68,591
Average capital employed (C=A+B)	**121,497**	**122,977**	**124,515**	**111,616**	**93,621**

**Average equity is calculated as the average of opening and closing equity as of respective period/ year.*

Return on Capital Employed

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
EBIT (A)	12,970	9,326	13,351	4,575	(1,479)
Average capital employed (B)	121,497	122,977	124,515	111,616	93,621

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Return on capital employed %* (C=A/B)	**10.68%**	**7.58%**	**10.72%**	**4.10%**	**(1.58)%**

Return on Capital Employed for the nine months ended December 31, 2023 and December 31, 2022 are not annualised.
**Return on Capital Employed is calculated as EBIT for the period/year divided by average capital employed. Average capital employed is calculated as total of average equity plus average net debt. Average equity is average of opening and closing equity as of respective period/year. Average net debt is average of opening and closing net debt as of respective period/year. Net debt is calculated as total of non-current and current borrowings plus non-current and current lease liabilities minus cash and cash equivalents and investments.*

Net Asset Value per Share

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Total assets (A)	196,030	179,339	182,529	166,743	150,035
Total liabilities (B)	151,869	139,264	140,434	130,138	130,175
Net assets (C=A-B)	44,161	40,075	42,095	36,605	19,860
Total weighted average number of equity shares* (D)	500	500	500	500	500
Net Asset Value per Equity Share (in ₹) (E=C/D)**	**88.32**	**80.15**	**84.19**	**73.21**	**39.72**

** Weighted average number of equity shares is after the share split impact.*
***Net Asset Value per Equity Share is computed as total assets less total liabilities, divided by weighted average number of equity shares outstanding at the end of the period/year.*

Net Debt to EBITDA

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Non-current borrowings (A)	26,923	60,649	47,299	48,078	36,926
Current borrowings (B)	35,607	2,849	15,394	23,905	22,826
Non-current lease liabilities (C)	27,635	23,324	25,451	15,303	13,119
Current lease liabilities (D)	4,157	3,790	3,892	3,398	4,864
Cash and cash equivalents (E)	247	337	555	885	277
Investments (F)	18,358	10,311	10,460	490	-
Net Debt* (G=A+B+C+D-E-F)	75,717	79,964	81,021	89,309	77,458
EBITDA (H)	25,764	20,910	28,884	18,985	11,373
Net debt to EBITDA (I=G/H)	**2.9**	**3.8**	**2.8**	**4.7**	**6.8**

Net Debt to EBITDA for the nine months ended December 31, 2023 and December 31, 2022 are not annualised.
**Net Debt is calculated as total of non-current and current borrowings plus non-current and current lease liabilities minus cash and cash equivalents and investments.*

Operating Cost as a percentage of revenue from operations

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Network operating expenses (A)	12,285	11,792	15,863	14,862	14,279
Access charges (B)	5,394	7,207	9,833	11,331	13,454
License fee / Spectrum charges (C)	4,792	4,822	6,329	5,718	4,379

Particulars	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in million, except percentages)				
Employee benefits expense (D)	794	690	903	764	763
Sales and marketing expenses (E)	2,795	2,268	3,067	1,993	1,410
Other expenses (F)	1,314	1,529	1,938	1,244	1,214
Depreciation and amortisation expenses (G)	12,794	11,584	15,533	14,410	12,852
Total Operating expenses (G=A+B+C+D+E+F)	40,168	39,892	53,466	50,322	48,351
Revenue from Operations (H)	52,208	48,465	65,790	54,052	46,023
Operating costs[(1)], as a percentage of revenue from operations (I=G/H)	**76.94%**	**82.31%**	**81.27%**	**93.10%**	**105.06%**

**Operating cost incudes network operating expenses, access charges, license fee/ spectrum charges, employee benefit expense, sales and marketing expenses, other expenses and depreciation and amortization expenses.*

Debt to equity ratio

Particulars	As of/ For the nine months ended December 31,		As of/ For the year ended March 31,		
	2023	2022	2023	2022	2021
	(₹ in million, except ratios)				
Debt (Closing)					
Non-current borrowings (A)	26,923	60,649	47,299	48,078	36,926
Current borrowings (B)	35,607	2,849	15,394	23,905	22,826
Cash and cash equivalents (C)	247	337	555	885	277
Total debt (Closing) (D= A+B-C)	**62,283**	**63,161**	**62,138**	**71,098**	**59,475**
Equity (E)	44,161	40,075	42,095	36,605	19,860
Debt/ Equity (D/E)	**1.41**	**1.58**	**1.48**	**1.94**	**2.99**

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Revenue from Operations

Revenue from operations comprise revenue arising from core business offerings in consumer mobile services, fixed line and broadband services.

Other Income

Other income comprises (i) net gain on marketable securities; (ii) interest income; (iii) government grant; and (iv) miscellaneous income.

Expenses

Our expenses comprise network operating expenses, access charges, license fee/ spectrum charges, employee benefits expense, sales and marketing expenses and other expenses.

Network Operating Expenses

Network operating expenses consists of power and fuel, passive infrastructure charges, repair and maintenance, internet, bandwidth and leased line charges and others which includes charges towards insurance and security.

Access Charges

Access charges primarily include termination and interconnect charges.

License Fee/ Spectrum Charges

License fee/ spectrum charges include revenue share paid to the DoT as per license agreements.

Employee Benefits Expense

Employee benefits expense include salaries, wages and bonus, contribution to provident and other funds, defined benefits obligation/ other long term benefits, staff welfare expenses and others.

Sales and Marketing Expense

Sales and marketing expense includes sales commission and distribution expenses, advertisement and marketing, business promotion and others.

Other Expenses

Other expenses include content cost, legal and professional charges, customer care expenses, IT expenses, bad debts written off, provision for doubtful receivables, collection and recovery expense, charity and donation, printing and stationery and other administrative expenses.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses include depreciation on property, plant and equipment, depreciation on right of use assets and amortisation of spectrum and other intangibles.

Finance Costs

Finance costs include interest expense, net exchange loss/ (gain), interest expense on leases and other finance charges which include bank charges, trade finance charges and interest charges towards sub-judice matters.

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations for the years/ periods indicated:

Particulars	Nine months ended December 31,				Fiscal					
	2023		2022		2023		2022		2021	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Income										
Revenue from operations	52,208	96.31%	48,465	98.06%	65,790	97.91%	54,052	98.38%	46,023	97.83%
Other income	2,000	3.69%	959	1.94%	1,402	2.09%	888	1.62%	1,020	2.17%
	54,208	**100.00%**	**49,424**	**100.00%**	**67,192**	**100.00%**	**54,940**	**100.00%**	**47,043**	**100.00%**
Expenses										
Network operating expenses	12,285	22.66%	11,792	23.86%	15,863	23.61%	14,862	27.05%	14,279	30.35%
Access charges	5,394	9.95%	7,207	14.58%	9,833	14.63%	11,331	20.62%	13,454	28.60%
License fee/ Spectrum Charges	4,792	8.84%	4,822	9.76%	6,329	9.42%	5,718	10.41%	4,379	9.31%
Employee benefits expense	794	1.46%	690	1.40%	903	1.34%	764	1.39%	763	1.62%
Sales and marketing expenses	2,795	5.16%	2,268	4.59%	3,067	4.56%	1,993	3.63%	1,410	3.00%

Particulars	Nine months ended December 31,				Fiscal					
	2023		2022		2023		2022		2021	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Other expenses	1,314	2.42%	1,529	3.09%	1,938	2.88%	1,244	2.26%	1,214	2.58%
	27,374	**50.50%**	**28,308**	**57.28%**	**37,933**	**56.45%**	**35,912**	**65.37%**	**35,499**	**75.46%**
Re-stated Profit before depreciation, amortisation, finance costs, tax and exceptional items	**26,834**	**49.50%**	**21,116**	**42.72%**	**29,259**	**43.55%**	**19,028**	**34.63%**	**11,544**	**24.54%**
Depreciation and amortisation expenses	12,794	23.60%	11,584	23.44%	15,533	23.12%	14,410	26.23%	12,852	27.32%
Finance costs	4,787	8.83%	4,895	9.90%	6,388	9.51%	5,718	10.41%	5,166	10.98%
Re-stated Profit/ (Loss) before exceptional items and tax	**9,253**	**17.07%**	**4,637**	**9.38%**	**7,338**	**10.92%**	**(1,100)**	**(2.00)%**	**(6,474)**	**(13.76)%**
Exceptional items (net)	3,030	5.59%	-	-	-	-	(19,511)	(35.51)%	3,417	7.26%
Re-stated Profit/ (Loss) before tax	**6,223**	**11.48%**	**4,637**	**9.38%**	**7,338**	**10.92%**	**18,411**	**33.51%**	**(9,891)**	**(21.03)%**
Tax expense:										
Current tax	3,864	7.13%	-	-	-	-	(27)	(0.05)%	-	-
Deferred tax	(459)	(0.85)%	1,164	2.36%	1,846	2.75%	1,692	3.08%	448	0.95%
	3,405	**6.28%**	**1,164**	**2.36%**	**1,846**	**2.75%**	**1,665**	**3.03%**	**448**	**0.95%**
Re-stated Profit/ (Loss) for the period	**2,818**	**5.20%**	**3,473**	**7.03%**	**5,492**	**8.17%**	**16,746**	**30.48%**	**(10,339)**	**(21.98)%**

Nine months ended December 31, 2023 compared to nine months ended December 31, 2022

Revenue from operations

Our revenue from operations increased by 7.72% from ₹48,465 million in the nine months ended December 31, 2022 to ₹52,208 million in the nine months ended December 31, 2023. Growth in our revenue from operations was primarily driven by increase in revenue from external customers (i) from our mobile services segment, owing to an increase in our mobile services customer base from 25,479 thousand as of December 31, 2022 to 26,782 thousand as of December 31, 2023 and increase in ARPU in our mobile services segment, and (ii) from our home and office services segment, as a result of increase in customers by 45.96%, from 198 thousand as of December 31, 2022 to 289 thousand as of December 31, 2023.

Other Income

Our other income increased by 108.55% from ₹959 million in the nine months ended December 31, 2022 to ₹2,000 million in the nine months ended December 31, 2023, primarily as a result of increase in interest income from ₹75 million in the nine months ended December 31, 2022 to ₹698 million in the nine months ended December 31, 2023, increase in net gain on marketable securities from ₹131 million in the nine months ended December 31, 2022 to ₹372 million in the nine months ended December 31, 2023 and increase in government grant from ₹719 million in the nine months ended December 31, 2022 to ₹861 million in the nine months ended December 31, 2023.

Network Operating Expenses

Our network operating expenses increased by 4.18% from ₹11,792 million in the nine months ended December 31, 2022 to ₹12,285 million in the nine months ended December 31, 2023. We added 4,121 sites during this period which led to an increase in passive infrastructure charges and repair and maintenance charges, which was partially offset by decrease in internet, bandwidth and leased line charges, led by our cost-saving initiatives.

Access Charges

Our access charges decreased by 25.16% from ₹7,207 million in the nine months ended December 31, 2022 to ₹5,394 million in the nine months ended December 31, 2023 due to reduction in costs.

License Fee/ Spectrum Charges

Our license fee/ spectrum charges decreased by 0.61% from ₹4,822 million in the nine months ended December 31, 2022 to ₹4,792 million in the nine months ended December 31, 2023 due to spectrum usage charge savings after the acquisition of spectrum through auction in 2022.

Employee benefits expense

Our employee benefits expense increased by 15.07% from ₹690 million in the nine months ended December 31, 2022 to ₹794 million in the nine months ended December 31, 2023 primarily due to an increase in salaries, wages and bonus from ₹645 million in the nine months ended December 31, 2022 to ₹729 million in the nine months ended December 31, 2023.

Sales and marketing expense

Our sales and marketing expense increased by 23.24% from ₹2,268 million in the nine months ended December 31, 2022 to ₹2,795 million in the nine months ended December 31, 2023 due to market competitiveness. This was primarily due to increase in sales commission and distribution expenses from ₹1,606 million in the nine months ended December 31, 2022 to ₹2,031 million in the nine months ended December 31, 2023.

Other expenses

Our other expenses decreased by 14.06% from ₹1,529 million in the nine months ended December 31, 2022 to ₹1,314 million in the nine months ended December 31, 2023 primarily on account of reversal of provision of doubtful debts, led by recovery of past dues from GoI grants.

Depreciation and Amortisation Expenses

Our depreciation and amortisation expenses increased by 10.45% from ₹11,584 million in the nine months ended December 31, 2022 to ₹12,794 million in the nine months ended December 31, 2023 primarily due to increase in depreciation on plant and equipment from ₹6,485 million in the nine months ended December 31, 2022 to ₹7,267 million in the nine months ended December 31, 2023 and increase in depreciation on right of use assets from ₹2,444 million in the nine months ended December 31, 2022 to ₹2,866 million in the nine months ended December 31, 2023. Increase in depreciation on plant, property and equipment was led by investment of ₹12,435 million in capital expenditure in this period.

Finance Costs

Our finance costs decreased by 2.21% from ₹4,895 million in the nine months ended December 31, 2022 to ₹4,787 million in the nine months ended December 31, 2023, primarily due to decrease in interest expense from ₹2,908 million in the nine months ended December 31, 2022 to ₹2,449 million in the nine months ended December 31, 2023 led by lower average borrowings. This was partially offset by increase in interest expense on leases from ₹1,474 million in the nine months ended December 31, 2022 to ₹1,750 million in the nine months ended December 31, 2023.

Total Tax Expense

Our total tax expense increased from ₹1,164 million in the nine months ended December 31, 2022 to ₹3,405 million in the nine months ended December 31, 2023, primarily due to corresponding increase in the profit before tax, as well as tax treatment of revenue-linked variable license fee as capital in nature for the purpose of computation of taxable income, based on a judgement of the Supreme Court of India, instead of revenue expenditure.

Exceptional Items

Exceptional items (net) amounted to ₹3,030 million in the nine ended December 31, 2023, which comprised charge on account of tax treatment of revenue-linked variable license fee as capital in nature for the purpose of computation of taxable income, based on a judgement of the Supreme Court of India, instead of revenue expenditure.

Profit for the Period

As a result of the foregoing factors, our profit for the period was ₹2,818 million in the nine months ended December 31, 2023 compared to ₹3,473 million in the nine months ended December 31, 2022.

Fiscal 2023 compared to Fiscal 2022

Revenue from operations

Our revenue from operations increased by 21.72% from ₹54,052 million in Fiscal 2022 to ₹65,790 million in Fiscal 2023. The increase was primarily due to increase in revenue from external customers (i) from our mobile services segment, as a result of increase in the customer base for our mobile services segment by 4.28%, from 24,767 thousand as of March 31, 2022 to 25,827 thousand as of March 31, 2023, as well as flow-through impact of a tariff increase in November 2021, and (ii) from our homes and office services segment, as a result of increase in the customer base by 67.18% from 131 thousand in Fiscal 2022 to 219 thousand in Fiscal 2023.

Other Income

Our other income increased by 57.88% from ₹888 million in Fiscal 2022 to ₹1,402 million in Fiscal 2023, primarily as a result of increase in interest income from ₹24 million in Fiscal 2022 to ₹85 million in Fiscal 2023, increase in net gain on marketable securities from ₹19 million in Fiscal 2022 to ₹290 million in Fiscal 2023 and increase in government grant from ₹740 million in Fiscal 2022 to ₹984 million in Fiscal 2023.

Network Operating Expenses

Our network operating expenses increased by 6.74% from ₹14,862 million in Fiscal 2022 to ₹15,863 million in Fiscal 2023. We deployed 2,886 sites during Fiscal 2023. This resulted in increase in passive infrastructure charges, power and fuel charges, internet, bandwidth and leased line charges, which was partially offset by decrease in repair and maintenance charges, led by our cost-saving initiatives.

Access Charges

Our access charges decreased by 13.22% from ₹11,331 million in Fiscal 2022 to ₹9,833 million in Fiscal 2023 due to lower inter-connect charges.

License Fee/ Spectrum Charges

Our license fee/ spectrum charges increased by 10.69% from ₹5,718 million in Fiscal 2022 to ₹6,329 million in Fiscal 2023 due to increase in net revenue, which was partially offset by spectrum usage charges savings after the acquisition of spectrum through auction in 2022.

Employee benefits expense

Our employee benefits expense increased by 18.19% from ₹764 million in Fiscal 2022 to ₹903 million in Fiscal 2023 primarily due to an increase in salaries, wages and bonus from ₹703 million in Fiscal 2022 to ₹848 million in Fiscal 2023.

Sales and marketing expense

Our sales and marketing expense increased by 53.89% from ₹1,993 million in Fiscal 2022 to ₹3,067 million in Fiscal 2023 due to market competitiveness. This was primarily due to increase in sales commission and distribution expenses from ₹1,478 million in Fiscal 2022 to ₹2,221 million in Fiscal 2023 and increase in advertising and marketing expenses from ₹316 million in Fiscal 2022 to ₹434 million in Fiscal 2023.

Other expenses

Our other expenses increased by 55.79% from ₹1,244 million in Fiscal 2022 to ₹1,938 million in Fiscal 2023 primarily due to increase in provision for doubtful debts, as a result of delay in collection of government grant, provision for content cost and one-time reversal in Fiscal 2022 with respect to a tax amnesty scheme.

Depreciation and Amortisation Expenses

Our depreciation and amortisation expenses increased by 7.79% from ₹14,410 million in Fiscal 2022 to ₹15,533 million in Fiscal 2023 primarily due to increase in depreciation on plant and equipment from ₹8,337 million in Fiscal 2022 to ₹8,697 million in Fiscal 2023 and increase in depreciation on right of use assets from ₹2,582 million in Fiscal 2022 to ₹3,308 million in Fiscal 2023. Increase in depreciation on plant, property and equipment was led by investment of ₹11,115 million in capital expenditure during Fiscal 2023.

Finance Costs

Our finance costs increased by 11.72% from ₹5,718 million in Fiscal 2022 to ₹6,388 million in Fiscal 2023, primarily due to an increase in interest expense on leases from ₹1,399 million in Fiscal 2022 to ₹2,028 million in Fiscal 2023 which was partially offset by decrease in interest expense from ₹3,844 million in Fiscal 2022 to ₹3,698 million in Fiscal 2023.

Total Tax Expense

Our total tax expense increased from ₹1,665 million in Fiscal 2022 to ₹1,846 million in Fiscal 2023, primarily due to an increase in deferred tax expense from ₹1,692 million in Fiscal 2022 to ₹1,846 million in Fiscal 2023.

Profit for the Period

As a result of the foregoing factors, our profit for the period was ₹5,492 million in Fiscal 2023 compared to ₹16,746 million in Fiscal 2022.

Fiscal 2022 compared to Fiscal 2021

Revenue from operations

Our revenue from operations increased by 17.45% from ₹46,023 million in Fiscal 2021 to ₹54,052 million in Fiscal 2022. The increase was primarily due to increase in revenue from external customers (i) from our mobile services segment from ₹45,300 million in Fiscal 2021 to ₹52,976 million in Fiscal 2022, and (ii) from our homes and office services segment from ₹723 million in Fiscal 2021 to ₹1,076 million in Fiscal 2022, as a result of increase in customer base in the segment by 87.14% from 70 thousand in Fiscal 2021 to 131 thousand in Fiscal 2022.

Other Income

Our other income decreased by 12.94% from ₹1,020 million in Fiscal 2021 to ₹888 million in Fiscal 2022, primarily as a result of decrease in net gain on marketable securities from ₹133 million in Fiscal 2021 to ₹19 million in Fiscal 2022, decrease in interest income from ₹38 million in Fiscal 2021 to ₹24 million in Fiscal 2022 and decrease in government grant from ₹772 million in Fiscal 2021 to ₹740 million in Fiscal 2022.

Network Operating Expenses

Our network operating expenses increased by 4.08% from ₹14,279 million in Fiscal 2021 to ₹14,862 million in Fiscal 2022. We deployed 1,598 sites during the period. This resulted in increase in passive infrastructure charges, and power and fuel charges, which was partially offset by decrease in repair and maintenance charges as well as decrease in internet, bandwidth and leased line charges, led by our cost-saving initiatives.

Access Charges

Our access charges decreased by 15.78% from ₹13,454 million in Fiscal 2021 to ₹11,331 million in Fiscal 2022 due to interconnect charges on termination of local and national long distance calls being discontinued as per TRAI's regulations across India with effect from January 1, 2021.

License Fee/ Spectrum Charges

Our license fee/ spectrum charges increased by 30.58% from ₹4,379 million in Fiscal 2021 to ₹5,718 million in Fiscal 2022 due to increase in net revenue.

Employee benefits expense

Our employee benefits expense increased marginally from ₹763 million in Fiscal 2021 to ₹764 million in Fiscal 2022.

Sales and marketing expense

Our sales and marketing expense increased by 41.35% from ₹1,410 million in Fiscal 2021 to ₹1,993 million in Fiscal 2022 due to market competitiveness. This was primarily due to increase in sales commission and distribution expenses from ₹832 million in Fiscal 2021 to ₹1,478 million in Fiscal 2022, which was primarily offset by decrease in advertising and marketing from ₹361 million in Fiscal 2021 to ₹316 million in Fiscal 2022, and decrease in business promotion expenses from ₹102 million in Fiscal 2021 to ₹46 million in Fiscal 2022.

Other expenses

Our other expenses increased by 2.47% from ₹1,214 million in Fiscal 2021 to ₹1,244 million in Fiscal 2022 primarily due to marginal increase in administrative costs, which was offset by a one-time reversal on account of a tax amnesty scheme.

Depreciation and Amortisation Expenses

Our depreciation and amortisation expenses increased by 12.12% from ₹12,852 million in Fiscal 2021 to ₹14,410 million in Fiscal 2022 primarily due to increase in depreciation on plant and equipment from ₹7,140 million in Fiscal 2021 to ₹8,337 million in Fiscal 2022 and increase in depreciation on right of use assets from ₹2,290 million in Fiscal 2021 to ₹2,582 million in Fiscal 2022. Increase in depreciation on plant, property and equipment was led by investment of ₹7,764 million in capital expenditure during Fiscal 2022.

Finance Costs

Our finance costs increased by 10.69% from ₹5,166 million in Fiscal 2021 to ₹5,718 million in Fiscal 2022, primarily due to an increase in interest expense from ₹3,220 million in Fiscal 2021 to ₹3,844 million in Fiscal 2022, net exchange gain of ₹471 million to net exchange loss of ₹10 million, increase in interest expense on leases from ₹1,268 million in Fiscal 2021 to ₹1,399 million in Fiscal 2022 and decrease in other finance charges from ₹1,149 million in Fiscal 2021 to ₹465 million in Fiscal 2022.

Exceptional Items

Exceptional items (net) amounted to ₹(19,511) million in Fiscal 2022, compared to ₹3,417 million in Fiscal 2021. Exceptional items in Fiscal 2022 comprised gain on account of a commercial settlement with a service provider, settlement with a strategic vendor, and charge on account of levies. In comparison, exceptional items in Fiscal 2021 included charge on account of license fee and spectrum usage charges, re-assignment/ revalidation of microwave access/ microwave backbone carriers in the Unified License Circles, rates and taxes (including interest) arising from a detailed management review in light of judgements in various courts in multiple states, and re-assessment of useful life of certain categories of network assets due to technological advancements.

Total Tax Expense

Our total tax expense increased from ₹448 million in Fiscal 2021 to ₹1,665 million in Fiscal 2022, primarily due to an increase in deferred tax from ₹448 million in Fiscal 2021 to ₹1,692 million in Fiscal 2022.

Profit for the Period

As a result of the foregoing factors, our profit for the period was ₹16,746 million in Fiscal 2022 compared to loss for the period which was ₹10,339 million in Fiscal 2021 due to one-time exceptional gains in Fiscal 2022, as indicated above.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations through a combination of internal accruals and external borrowings.

Cash Flows

The following table sets forth certain information relating to our cash flows in the years/ periods indicated:

Particulars	Nine months ended December 31,		Fiscal		
	2023	2022	2023	2022	2021
	(₹million)				
Net cash generated from operating activities	29,303	43,530	51,084	12,580	15,172
Net cash flow used in investing activities	(22,756)	(17,009)	(20,309)	(13,825)	(8,825)
Net cash from/ (used in) financing activities	(6,824)	(27,047)	(31,114)	1,831	(6,042)
Net (decrease)/ increase in cash and cash equivalents during the period	(277)	(526)	(339)	586	305
Cash and cash equivalents as at period	**247**	**337**	**524**	**863**	**277**

Operating Activities

Nine months ended December 31, 2023

Net cash generated from operating activities was ₹29,303 million in the nine months ended December 31, 2023. In the nine months ended December 31, 2023, our profit before tax was ₹6,223 million. Primary adjustments consisted of depreciation and amortization expense of ₹12,794 million, finance costs of ₹4,786 million and exceptional items (net) of ₹3,030 million.

Operating cash flow before changes in assets and liabilities was ₹25,860 million in the nine months ended December 31, 2023. The main changes in assets and liabilities in the nine months ended December 31, 2023 included trade payables of ₹1,806 million, other financial and non-financial assets of ₹1,723 million and trade receivables of ₹(904) million.

Nine months ended December 31, 2022

Net cash generated from operating activities was ₹43,530 million in the nine months ended December 31, 2022. In the nine months ended December 31, 2022, our profit before tax was ₹4,637 million. Primary adjustments consisted of depreciation and amortization expense of ₹11,584 million and finance costs of ₹4,884 million.

Operating cash flow before changes in assets and liabilities was ₹21,300 million in the nine months ended December 31, 2022. The main changes in assets and liabilities in the nine months ended December 31, 2022 included trade receivables of ₹19,115 million, trade payables of ₹928 million and other financial and non-financial liabilities of ₹1,319 million.

Fiscal 2023

Net cash generated from operating activities was ₹51,084 million in Fiscal 2023. In Fiscal 2023, our profit before tax was ₹7,338 million. Primary adjustments consisted of depreciation and amortization expense of ₹15,533 million and finance costs of ₹6,374 million.

Operating cash flow before changes in assets and liabilities was ₹29,301 million in Fiscal 2023. The main changes in assets and liabilities in Fiscal 2023 included trade receivables of ₹19,075 million, trade payables of ₹(769) million and other financial and non-financial liabilities of ₹2,056 million.

Fiscal 2022

Net cash generated from operating activities was ₹12,580 million in Fiscal 2022. In Fiscal 2022, our profit before tax was ₹18,411 million. Primary adjustments consisted of depreciation and amortization expense of ₹14,410 million and finance costs of ₹5,713 million.

Operating cash flow before changes in assets and liabilities was ₹38,716 million in Fiscal 2022. The main changes in assets and liabilities in Fiscal 2022 included trade receivables of ₹(19,791) million and trade payables of ₹(7,727) million.

Fiscal 2021

Net cash generated from operating activities was ₹15,172 million in Fiscal 2021. In Fiscal 2021, our loss before tax was ₹(9,891) million. Primary adjustments consisted of depreciation and amortization expense of ₹12,852 million, finance costs of ₹5,098 million and exceptional items (net) ₹3,417 million.

Operating cash flow before changes in assets and liabilities was ₹11,515 million in Fiscal 2021. The changes in assets and liabilities in Fiscal 2021 included other financial and non-financial assets of ₹3,754 million, trade payables of ₹1,236 million, provisions of ₹(872) million, other financial and non-financial assets of ₹(789) million and trade receivables of ₹663 million.

Investing Activities

Nine months ended December 31, 2023

Net cash used in investing activities in the nine months ended December 31, 2023 was ₹(22,756) million, primarily on account of purchase of property, plant and equipment and capital work-in-progress of ₹(15,674) million and purchase of current investments (net) of ₹(7,526) million.

Nine months ended December 31, 2022

Net cash used in investing activities in the nine months ended December 31, 2022 was ₹(17,009) million, primarily on account of purchase of property, plant and equipment and capital work-in-progress of ₹(6,121) million, purchase of current investments (net) of ₹(9,690) million and payment towards spectrum (including deferred payment liability) of ₹(1,321) million.

Fiscal 2023

Net cash used in investing activities in Fiscal 2023 was ₹(20,309) million, primarily on account of purchase of property, plant and equipment and capital work-in-progress of ₹(9,448) million, purchase of current investments (net) of ₹(9,680) million and payment towards spectrum (including deferred payment liability) of ₹(1,321) million.

Fiscal 2022

Net cash used in investing activities in Fiscal 2022 was ₹(13,825) million, primarily on account of purchase of property, plant and equipment and capital work-in-progress of ₹(13,487) million and purchase of current investments (net) of ₹(471) million, which was partially offset by proceeds from sale of property, plant and equipment of ₹149 million.

Fiscal 2021

Net cash used in investing activities in Fiscal 2021 was ₹(8,825) million, primarily on account of purchase of property, plant and equipment and capital work-in-progress of ₹(14,569) million and payment towards spectrum (including deferred payment liability) of ₹(828) million, which was partially offset by sale of current investments (net) of ₹6,485 million.

Financing Activities

Nine months ended December 31, 2023

Net cash used in financing activities in the nine months ended December 31, 2023 was ₹(6,824) million, primarily due to interest and other finance charges paid of ₹(4,041) million, payment of lease liabilities of ₹(2,228) million and dividend paid of ₹(750) million.

Nine months ended December 31, 2022

Net cash used in financing activities in the nine months ended December 31, 2022 was ₹(27,047) million, primarily due to repayment of long term borrowings of ₹(22,500) million, interest and other finance charges paid of ₹(2,353) million and payment of lease liabilities of ₹(2,166) million.

Fiscal 2023

Net cash used in financing activities in Fiscal 2023 was ₹(31,114) million, primarily due to repayment of borrowings (net) of ₹(24,400) million, interest and other finance charges paid of ₹(3,855) million and payment of lease liabilities of ₹(2,831) million.

Fiscal 2022

Net cash from financing activities in Fiscal 2022 was ₹1,831 million, primarily due to proceeds from borrowings (net) of ₹9,217 million which was partially offset by repayment of short-term borrowings (net) of ₹(1,102) million, interest and other finance charges paid of ₹(2,823) million and payment of lease liabilities of ₹(3,461) million.

Fiscal 2021

Net cash used in financing activities in Fiscal 2021 was ₹(6,042) million, primarily due to repayment of short-term borrowings (net) of ₹(20,795) million, interest and other finance charges paid of ₹(3,409) million and payment of lease liabilities of ₹(2,470) million, which was partially offset by proceeds from borrowings (net) of ₹20,632 million.

Indebtedness

As of December 31, 2023, we had total borrowings of ₹62,530 million. The following table sets forth certain information relating to maturity profile of our borrowings as of December 31, 2023:

Particulars	Total	Within one year	1 – 2 years	2 -5 years	Over 5 years
	(₹ million)				
Term loan	195	195	-	-	-
Non-convertible debentures	35,000	35,000	-	-	-
Deferred payment liabilities for spectrum	14,263	419	449	1,550	11,845
Deferred payment liabilities	13,078	-	-	4,574	8,504
Total	**62,536***	**35,614**	**449**	**6,124**	**20,349**

**₹62,530 million pursuant to netting off of debt orientation charges of ₹6 million.*

For further information on our outstanding indebtedness, see "*Financial Indebtedness*" on page 379.

Contingent Liabilities

The following table below sets forth our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, as of December 31, 2023:

Particulars	As of December 31, 2023 (₹ million)
(i) Taxes, duties and other demands (under adjudication/ appeal/ dispute)	
- Service tax and GST	787
-Income tax	645
-Entry tax	-
-DoT demands	1,194
-Other miscellaneous demands	21
(ii) Claims under legal cases including arbitration matters	
-Access Charges/ port charges	65
-Others	41
Total	**2,753**

In addition to the amounts disclosed in the table above, there are contingent liabilities on DoT matters, which include demand on account of levy of one-time spectrum charge of aggregating to ₹ 4,737 million, of which our Company had recorded a charge of ₹ 160 million for Fiscal 2020 along with interest thereon till December 31, 2023, amounting to ₹ 721 million. The balance demand amount of ₹ 4,577 million has continued as contingent liability.

For further information of our contingent liabilities as at December 31, 2023 as per Ind AS 37, see "*Restated Financial Information – Note 20. Contingencies and commitments – (I) Contingent liabilities*" on page 300.

Capital Commitments

As of December 31, 2023, we had contractual commitments towards capital expenditure (net of related advances paid) of ₹6,605 million.

Off-Balance Sheet Commitments and Arrangements

Other than as disclosed in this Red Herring Prospectus, we have no other off-balance sheet commitments and arrangements that materially affect our financial condition or results of operations.

Capital Expenditures

Our capital expenditures consist principally of network expansion as well as investments in technology and communication infrastructure. In the nine months ended December 31, 2023, December 31, 2022 and in Fiscal 2023, 2022 and 2021, we incurred ₹16,003 million, ₹25,577 million, ₹30,518 million, ₹8,745 million and ₹15,767 million, respectively, towards capital expenditure.

Credit Ratings

For information on our credit ratings, see "*Our Business – Credit Ratings*" on page 204.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see "*Related Party Transactions*" on page 339.

Quantitative and Qualitative Disclosures about Risks

Financial Risk

The business activities of our Company expose us to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. Our Company's risk management strategies focus on the unpredictability of these elements and seek to minimise the potential adverse effects on our financial performance.

The financial risk management for our Company is driven by our Company's senior management ("**CSM**"), in close co-ordination with internal / external experts subject to necessary supervision. Our Company does not undertake any speculative transactions either through derivatives or otherwise. The CSM are accountable to the Board of Directors and Audit Committee. They ensure that our Company's financial risk-taking activities are governed by appropriate financial risk governance framework, policies and procedures. The Board of Directors of our Company periodically reviews the exposures to financial risks, and the measures taken for risk mitigation.

Foreign currency risk

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of our Company. Our Company has foreign currency trade payables and receivables.

Interest Rate Risk

As our Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, our interest income and related cash inflows are not affected by changes in market interest rates. Consequently, our Company's interest rate risk arises mainly from borrowings.

Borrowings with floating and fixed interest rates expose our Company to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of our Company do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined in a manner which enables our Company to achieve an optimum debt-mix basis our overall objectives and future market expectations. Our Company monitors the interest rate movement and manages the interest rate risk based on its risk management policies, as considered appropriate and whenever necessary.

Price Risk

Our Company invests surplus funds in various mutual funds (debt fund, liquid and overnight schemes, among others), short term debt funds, government securities, fixed deposits and other money market instruments. In order to manage price risk arising from investments, our Company diversifies its portfolio in accordance with the limits set by the risk management policies.

For instance, on June 30, 2023, we invested in inter-corporate deposits (unquoted) aggregating to ₹ 5,000.00 million ("**ICDs**"). These ICDs were placed in two parts, with coupon rates of 7.65% and 7.57% respectively, and had a tenor of 202 days in each case. We chose to invest in the ICDs in order to receive a higher rate of return compared to other short term investment options such as fixed deposits and debt mutual funds, with similar maturities while offering diversification in the investment profile. As per their scheduled maturity date, these ICDs have been repaid on January 18, 2024.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing our Company to potential financial losses. Our Company is exposed to credit risk mainly with respect to trade receivables.

Liquidity Risk

Liquidity risk refers to the risk that our Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, our Company closely monitors its liquidity position and deploys a robust cash management system. We maintain adequate sources of financing including bilateral loans, debt and overdraft from domestic sources at an optimised cost. We also enjoy strong access to domestic and international capital markets across debt and equity.

Our senior management regularly monitors the rolling forecasts of our liquidity reserve (comprising of the amount of available un-drawn credit facilities and cash and cash equivalents) and related requirements, to ensure we have sufficient cash on an ongoing basis to meet operational needs while maintaining headroom at all times on available un-drawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of our borrowings.

Capital Risk

Our Company's objective while managing capital is to safeguard its ability to continue as a going concern, support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. The key objective of our Company's capital management is to ensure that we maintain a stable capital structure with the focus on total equity, uphold investor, creditor and customer confidence, and ensure future development of our business activities. In order to maintain or adjust the capital structure, our Company may issue new shares, declare dividends and return capital to shareholders. Our Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or business requirements.

Auditor's Observations

Our Statutory Auditors have commented upon the matters included in the Companies (Auditor's Report) Order, 2020/ Companies (Auditor's Report) Order, 2016 (together, the "**CARO Report**") issued by the Central Government of India under Section 143(11) of the Companies Act, 2013 on the audited financial statements as at and for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively, as follows:

<table>
<tr><th>Period</th><th>Nature of Adverse Observation</th><th>Details of Adverse Observation</th><th>Company's Response to Observation</th><th>Impact on the Financial Statements and Financial Position of the Company</th></tr>
<tr><td>Fiscal 2023</td><td>CARO</td><td>(i)(a)A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right of use assets except in the case of certain plant and machinery, where the Company is in the process of updating the records for quantity and situation of these assets.</td><td>In order to keep the network up and running all the time, network equipment is moved on an urgent basis from one site location to another, which is later updated in our Fixed Assets Register ("FAR"). Hence, as on the reporting date, some of these items are in the process of updation in the FAR.

However, our Company has a digital methodology of tracking active equipment, which is utilized and is reconciled on a regular basis with our FAR.</td><td>There is no financial impact.</td></tr>
<tr><td></td><td></td><td>(i)(b)The Company, except for customer premises equipment, bandwidth and certain assets which due to their nature or location are not verifiable, has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment, capital work-in-progress and right of use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.</td><td>Customer premises equipment ("CPEs") are only related to our Homes Services. The net book value of these CPEs is 1.30% of our total income. Till a customer is active, CPEs are lying at the customer's premises and only following customer churn, adequate efforts are made to collect CPEs from the customer.

Bandwidth refers to leased fiber lying underground and therefore, cannot be physically verified.

Certain other assets includes plant and equipment, which are in transit and on locked sites, therefore are not verifiable.</td><td>The financial impact is not material.</td></tr>
<tr><td></td><td></td><td>(vii)(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:
<table>
<tr><th>Name of the Statutes</th><th>Nature of dues</th><th>Amount disputed (In ₹ million)</th><th>Period to which case pertains</th><th>Forum where the dispute is pending</th></tr>
<tr><td>Custom Act, 1962</td><td>Custom Act</td><td>182</td><td>2001-2005</td><td>Supreme Court</td></tr>
</table></td><td>All these matters are disputed.</td><td>Requisite financial impact based on the merits of each case has already been</td></tr>
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<tr><td>Sub Total (A)</td><td></td><td>182</td><td></td><td></td></tr>
<tr><td>Finance Act, 1994 (Service tax)</td><td>Service tax</td><td>603</td><td>2006-2013</td><td>High Court</td></tr>
<tr><td>Finance Act, 1994 (Service tax)</td><td>Service tax</td><td>45</td><td>2007-2013</td><td>Tribunal</td></tr>
<tr><td>Sub Total (B)</td><td></td><td>648</td><td></td><td></td></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>530</td><td>Fiscal 2002-2003, Fiscal 2003-2004 to Fiscal 2013-2014</td><td>Supreme Court</td></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>136</td><td>Fiscal 2008-2009, Fiscal 2005-Fiscal 2010, Fiscal 2011-2013</td><td>High Court</td></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>7,206</td><td>Fiscal 2015-2016 to Fiscal 2018-2019</td><td>Income Tax Appellate Tribunal (ITAT)</td></tr>
<tr><td>Sub Total (C)</td><td></td><td>7,872</td><td></td><td></td></tr>
<tr><td>Grand Total (A+B+C)</td><td></td><td>8,702</td><td></td><td></td></tr>
</table>
The above-mentioned figures represent the total disputed cases without any assessment of probable, possible and remote, as done in case of contingent liabilities. Of the above cases, total amount paid under protest in respect of duties of custom, service tax and income tax is ₹ 91 million, ₹ 4 million and ₹ 192 million respectively.</td><td></td><td>treated in the Financial Statement.</td></tr>
<tr><td>Fiscal 2022</td><td>CARO</td><td>(i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital-work-in-progress and relevant details of right of use assets except in the case of plant and machinery, where the Company is in the process of updating the records for quantity and situation of these assets.</td><td>In order to keep the network up and running all the time, network equipment is moved on an urgent basis from one site location to another, which is later updated in our Fixed Assets Register ("FAR"). Hence, as on the reporting date, some of these items are in the process of updation in the FAR.

However, our Company has a digital methodology of tracking active equipment, which is utilized and is reconciled on a regular basis with our FAR.</td><td>There is no financial impact.</td></tr>
<tr><td></td><td>CARO</td><td>i)(c) The Company, except for customer premises equipment, bandwidth</td><td>CPEs are only related to our</td><td>Financial</td></tr>
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<tr><td></td><td></td><td>and certain assets which due to their nature or location are not verifiable, has a program of verification of property, plant and equipment, capital work-in-progress, and right-of-use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment, capital work-in-progress and right of use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.</td><td>Homes Services. The net book value of these CPE is 0.86% of our total income. Till a customer is active, CPEs are lying at the customer's premises and only following customer churn, adequate efforts are made to collect CPEs from the customer.

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<tr><td>Finance Act, 1994 (Service tax)</td><td>Service tax</td><td>4</td><td>2007-2008</td><td>Commissioner Appeals</td></tr>
<tr><td>Sub Total (B)</td><td></td><td>617</td><td></td><td></td></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>530</td><td>Fiscal 2002-2-2023; Fiscal 2003-2004 to Fiscal 2013-2014</td><td>Supreme Court</td></tr>
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<tr><td>Sub Total (C)</td><td></td><td>7,872</td><td></td><td></td></tr>
<tr><td>Grand Total (A+B+C)</td><td></td><td>8,671</td><td></td><td></td></tr>
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The above-mentioned figures represent the total disputed cases without any assessment of probable, possible and remote, as done in case of contingent liabilities. Of the above cases, total amount deposited in respect of duty of custom is ₹ 91 million, service tax is ₹ 4 million and income tax is ₹ 192 million.</td><td></td><td></td></tr>
<tr><td></td><td></td><td>(ix)(d) To the best of our knowledge and belief and according to the information and explanations given to us, the management of the Company is of the view that the Company is able to generate sufficient funds from long term sources either through its operations or other means to meet the working capital requirements arising from the event of short-term sources falling due for payment. On an overall examination of the financial statements of the Company, funds raised on short-term basis have been used for long-term purposes by the Company.</td><td>It is an administrative point from a CARO perspective, and these short-term funds were paid in the subsequent year.</td><td>There is no financial impact.</td></tr>
<tr><td>Fiscal 2021</td><td>CARO</td><td>(i)(a) The Company has maintained proper records showing full particulars with respect to most of its fixed assets and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the Company.</td><td>In order to keep the network up and running all the time, network equipment is moved on an urgent basis from one site location to another, which is later updated in our Fixed Assets Register ("FAR"). Hence, as on the reporting date, some of these items are in the process of updation in the FAR.

However, our Company has a digital methodology of tracking active equipment, which is utilized and is reconciled on a regular basis with our FAR.</td><td>There is no financial impact.</td></tr>
<tr><td></td><td></td><td>(i) (b) The Company, except for customer premises equipment and certain assets which due to their nature or location are not verifiable, has a program of verification of fixed assets to cover all items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.</td><td>CPEs are only related to our Homes Services. The net book value of these CPE is 0.62% of our total income. Till a customer is active, CPEs are lying at the customer's premises and only following customer churn, adequate efforts are made to collect CPEs from the customer.

Certain other assets includes plant and equipment, which are in transit and on locked sites,</td><td>Financial impact is not material.</td></tr>
</table>

<table>
<tr><th>Period</th><th>Nature of Adverse Observation</th><th>Details of Adverse Observation</th><th>Company's Response to Observation</th><th>Impact on the Financial Statements and Financial Position of the Company</th></tr>
<tr><td></td><td></td><td></td><td>therefore are not verifiable.</td><td></td></tr>
<tr><td></td><td></td><td>(vii)(c) Details of dues of Income tax, service tax and customs duty which have not been deposited as on March 31, 2021 on account of disputes are given below:
<table>
<tr><th>Name of the Statutes</th><th>Nature of dues</th><th>Amount disputed (In ₹ million)</th><th>Period to which case pertains</th><th>Forum where the dispute is pending</th></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>531</td><td>2002-2014</td><td>Supreme Court</td></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>136</td><td>2003-2004, 2005-2013</td><td>High Court</td></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>9</td><td>2009-2015</td><td>Income Tax Appellate Tribunal</td></tr>
<tr><td>Income tax Act, 1961</td><td>Income tax</td><td>2,532</td><td>2015-2016</td><td>Commissioner of Income tax</td></tr>
<tr><td>Finance Act, 1994 (Service tax provisions)</td><td>Service tax</td><td>21</td><td>2006-2008</td><td>High Court</td></tr>
<tr><td>Finance Act, 1994 (Service tax provisions)</td><td>Service tax</td><td>591</td><td>2004-2013</td><td>Tribunal</td></tr>
<tr><td>Finance Act, 1994 (Service tax provisions)</td><td>Service tax</td><td>4</td><td>2007-2008</td><td>Commissioner Appeal</td></tr>
<tr><td>Custom Act, 1962</td><td>Custom Act</td><td>182</td><td>2001-2005</td><td>Supreme Court</td></tr>
</table></td><td>All the matters are disputed.</td><td>Requisite financial impact based on the merits of each case has already been treated in the Financial Statement.</td></tr>
</table>

Unusual or infrequent Events or Transactions

Except as described in this Red Herring Prospectus, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*—Significant factors affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 343 and 35, respectively. Except as discussed in this Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income.

Significant Economic Changes that Materially Affect or are Likely to Affect Income from Continuing Operation

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*—Significant factors affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 343 and 35, respectively.

Recent accounting pronouncements

As on the date of this Red Herring Prospectus, there are no recent accounting pronouncements, which we believe would have a material effect on our financial condition or results of operations.

New Products or Business Segments

Except as described in this Red Herring Prospectus, we have not publicly announced any new products or business segments nor have there been any material increases in our revenues due to increased disbursements and the introduction of new products.

Future Relationship Between Cost and Income

Other than as described elsewhere in the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 35, 190 and 340, respectively, to our knowledge, there are no known factors that will have a material adverse impact on our operations and financial condition.

Significant Dependence on a Single or Few Customers or Suppliers

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

Competitive Conditions

We operate in a competitive environment. See sections, "*Our Business*", "*Industry Overview*", "*Risk Factors - 23. We face intense competition that may reduce our market share and lower our profits*" and "*— Significant factors affecting our Results of Operations – Competition*" on pages 190, 120, 49 and 345, respectively.

Seasonality/Cyclicality of Business

Our business is not materially affected by seasonal trends in the Indian economy.

Significant Developments After December 31, 2023 That May Affect our Future Results of Operations

Except as disclosed in this Red Herring Prospectus, no circumstances have arisen since December 31, 2023 that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at December 31, 2023, on the basis of amounts derived from our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Risk Factors*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 35, 254 and 340, respectively.

(in ₹ million)

Particulars	Pre-Offer (as at December 31, 2023)	Post Offer*
Debt		
Current borrowings (A)	35,607	[●]
Non-current borrowings (B)	26,923	[●]
Total borrowings# (C=A+B)	**62,530**	[●]
Equity		
Equity share capital (D)	2,500	[●]
Other equity (E)	41,661	[●]
Total Equity (F= D+E)	**44,161**	[●]
Total Capitalisation (G= C+F)	**106,691**	[●]
Total non-current borrowings /Total equity (B/F)	**0.61**	[●]
Total borrowings/Total equity (C/F)	**1.42**	[●]

**Our Company is proposing to offer the Equity Shares through an Offer for Sale. Hence, there will be no change in the total equity on account of this Offer.*

#Total Borrowings does not include interest accrued on borrowings.

FINANCIAL INDEBTEDNESS

Our Company has availed credit facilities in the ordinary course of business, for purposes such as, amongst other things, financing the working capital requirement of the Company, general corporate purposes, re-financing, servicing of existing debt reimbursement, payment of regulatory dues and to meet our business requirements. For undertaking necessary activities in relation to the Offer, we have obtained the necessary consents from, and provided intimations to, the requisite lenders in terms of the relevant documentation governing their borrowings.

For details regarding the borrowing powers of our Board, please see "*Our Management – Borrowing Powers*" on page 228.

A brief summary of our financial indebtedness as of December 31, 2023 is set out below:

(₹ in million)

Nature of Borrowing	Amount Sanctioned	Amount Outstanding*
Fund Based Limits		
Non-Convertible Debentures#^	35,000.00^^^	35,000.00
Overdrafts##	14,470.00	195.21
Trade Finance	320.80	Nil
Receivables Purchase	3,530.21	Nil
Total Fund Based (A)	**53,321.01**	**35,195.21**
Non Fund Based Limits		
Bank Guarantees**	7,415.46	2,524.34
Letter of Credit^^	1,000.00	Nil
Total Non-Fund Based Limits^^ (B)	**7,415.46**	**2,524.34**
Total (A+B)	**60,736.47**	**37,719.55**

** As certified by J.C. Bhalla & Co, Chartered Accountants, pursuant to their certificate dated March 22, 2024.*
Notes:
The above borrowing excludes deferred payment liability amounting to ₹ 27,340.11 million as on December 31, 2023 as appearing in the Restated Financial Information. It includes liabilities towards spectrum and Adjusted Gross Revenue (excluding accrued interest thereon).
#Excluding accrued interest thereon.
^ In the Restated Financial Information, borrowing amount is net of debt orientation charges of ₹ 6.62 million.
Overdrafts include working capital demand loan & short-term loan. ₹ 1,100 million are a sub limit of non-fund based limits.
***Bank guarantees of ₹ 2,100.00 million are a sublimit of overdrafts.*
^^Letter of credit of ₹ 1,000.00 million is a sublimit of bank guarantee limits.
^^^ The listed non convertible debentures of the Company amounting to ₹ 15,000 million have been redeemed and payment of the redemption and interest amount has been made on January 19, 2024.

Principal terms of the outstanding borrowings availed by our Company are disclosed below:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. ***Interest:*** In terms of the facilities availed by our Company, the interest rate is typically the base rate of a specified lender and spread per annum, subject to a minimum interest rate. The spread varies between different facilities.

   Our Company has also issued NCDs to various subscribers, for which our Company has entered into debenture trust deeds and in terms of the facility, a specified coupon is to be paid per annum. The coupon rate for the NCD facility issued by our Company is 5.90% per annum. The interest rate for the working capital facilities and term loans availed by our Company typically ranges from 8.20% per annum to 10.30% per annum.

2. ***Tenor:*** The maximum tenor of the working capital loans and term loan facilities availed by our Company is 12 months and for the NCDs is approximately 36 months.

3. ***Repayment:*** The facilities availed by our Company are typically repayable on demand, at the end of the tenor of an individual tranche, or on their respective due dates within the maximum tenure. Our borrowings are generally repayable in monthly or quarterly or half-yearly instalments as per the repayment schedule stipulated in the relevant loan documentation.

4. ***Prepayment:*** The facilities availed by our Company typically have prepayment and early redemption provisions respectively, which allow for prepayment or early redemption respectively, with prior notice and may attract payment of certain penalties.

5. ***Penalty:*** The terms of the borrowings availed by our Company prescribe penalties for non-payment of interest or repayment instalment, or in case accelerated redemption of NCDs is not made within specified timelines, or any other breach of key covenants or terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed typically ranges from 1% to 2% *per annum* on the outstanding facility, over and above the existing interest/ coupon rate, as applicable.

6. ***Restrictive Covenants:*** The facilities contain certain reserved matters, for which prior consent of, or intimation to, the lenders is required. An indicative list of such reserved matters is disclosed below:

   (i) any change in the ownership, shareholding pattern and management control of our Company, which may result in a material adverse effect;

   (ii) amending the constitutional documents of our Company, which may result in a material adverse effect;

   (iii) change in management, ownership or control of our Company;

   (iv) change in general nature of business of our Company, which may result in a material adverse effect;

   (v) declare, pay or make any dividend or other payment or distribution of any kind on or in respect of our Equity Shares, to any person; and

   (vi) entering into any scheme of amalgamation, reorganization, reconstruction, takeover, scheme of compromise or arrangement.

   The details provided above are indicative and there may be additional terms, conditions and requirements under the specific borrowing arrangements entered into by our Company.

7. ***Events of default*****:** In terms of borrowing arrangements for the facilities availed by our Company, the occurrence of any of the following, among others, constitute an event of default:

   (i) non-payment of any interest or instalment amount due;

   (ii) breach of warranty, statement or representation under any facility agreement, unless such breach is capable of remedy and is remedied within an agreed cure period;

   (iii) if our Promoter ceases to own, directly or indirectly, at least 51% of our Company's issued and paid up capital, unless remedied within an agreed upon time period;

   (iv) withdrawal or suspension of credit rating of NCDs or failure to renew our credit rating annually; and

   (v) any event or series of events occurs which has a material adverse effect.

   The above-mentioned list is indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by our Company.

8. ***Consequences of occurrence of events of default:*** In terms of borrowing arrangement for the facilities availed by our Company, upon the occurrence of events of default, the lenders may:

   (i) accelerate, cancel or recall the facility;

   (ii) declare the facilities, together with accrued penal interest, to be immediately due and payable; and

   (iii) exercise all other remedies as available under applicable law.

The above-mentioned list is indicative and there may be additional consequences on the occurrence of an event of default under the various borrowing arrangements entered into by our Company. For further details of financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – 6. We have incurred significant indebtedness, and we must service this debt and comply with any lenders' covenants to avoid* *defaulting on our borrowings and refinancing risk. Any default may adversely affect our business and profitability.*" on page 38.

Details of listed non-convertible debentures issued by our Company

The following table sets forth the ISIN of the non-convertible debentures issued by our Company:

ISIN	Status	Debenture Trustee	Issue Size *(in ₹ million)*	Maturity
INE343G08026	Active	Axis Trustee Services Limited	20,000.00	April 30, 2024

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court); (ii) actions (including all penalties and show cause notices) by regulatory and / or statutory authorities; (iii) taxation proceedings - claims related to direct or indirect taxes in a consolidated manner; (iv) other pending litigation or arbitration proceedings as determined to be material by our Board as per the Materiality Policy, in each case involving our Company, our Promoter or our Directors ("**Relevant Parties**"); or (v) litigation involving our Group Companies which has a material impact on our Company. Further, except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or the stock exchanges, against our Promoter in the last five Financial Years preceding the date of this Red Herring Prospectus including any outstanding action.*

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board of Directors on March 15, 2024:

A. *Any pending litigation / arbitration proceedings (other than litigations mentioned in points (i) to (iii) above) involving any of the Relevant Parties shall be considered "material" for the purposes of disclosure in the Offer Documents, if:*

   (i) *as regards our Company and our Directors, the aggregate monetary claim/ dispute amount/ liability made by or against the Company or the Director(s), as applicable, in any such pending litigation/ arbitration proceeding is equal to or in excess of 1% of the profit for the period i.e., ₹54.92 million as per the last full Financial Year in the Restated Financial Information included in the Offer Documents; or*

   (ii) *as regards our Promoter, the aggregate monetary claim/ dispute amount/ liability made by or against our Promoter, in any such pending litigation/ arbitration proceeding exceeds the lower of the following:*

      (a) *two percent of turnover, being ₹27,828.96 million as per the last audited consolidated financial statements of our Promoter; or*
      (b) *two percent of net worth, being ₹15,148.04 million as per the last audited consolidated financial statements of our Promoter, except in case the arithmetic value of the net worth is negative; or*
      (c) *five percent of the average of absolute value of profit or loss after tax, being ₹5,492.77 million as per the last three audited consolidated financial statements of our Promoter.*

      For the purpose of clause (c) above, it is clarified that the average of absolute value of profit or loss after tax is to be calculated by disregarding the 'sign' (positive or negative) that denotes such value.

   (iii) *any monetary liability is not quantifiable, or does not fulfil the threshold as specified in paragraph A(i) or A(ii) above, as applicable, or wherein the Relevant Party is not a party, but the outcome of which could, nonetheless, directly or indirectly, or together with similar other proceedings, have a material adverse effect on the business, operations, results of operations, prospects, financial position or reputation of our Company.*

In the event any tax matters involve an amount exceeding the respective thresholds proposed in A(i) and A(ii) above, in relation to each Relevant Party, individual disclosures of such tax matters will be included.

Further, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax/judicial/quasi-judicial/administrative authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as material litigation, until such time that a Relevant Party is impleaded as a defendant in any proceedings before any judicial/ arbitral forum.

Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to, or in excess of, 5% of the total trade payables on a consolidated basis (as applicable), of our Company as at the end of the latest financial period included in the Restated Financial Information, would be considered as material creditors.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.

A. Litigation involving our Company

Criminal Litigation

Outstanding criminal litigation against our Company

1. Pursuant to a complaint dated April 5, 2013 ("**Complaint**") purporting that a mobile tower had been illegally installed at a distance of approximately 100-150 feet from a school, the Sub-Divisional Magistrate, Sikar ("**SDM**") by way of an order dated April 24, 2013, directed the removal of the said mobile tower. Our Company filed a revision petition against the order of the SDM before the District and Sessions Judge, Sikar ("**Sessions Judge**"), which was dismissed by way of an order dated December 1, 2018 **(**"**Order**"). Thereafter, our Company filed a Criminal Miscellaneous Petition dated January 30, 2019 before the High Court of Judicature at Rajasthan, ("**High Court**") challenging the Order. Separately, Bajrang Lal (since deceased) through his legal representatives ("**Petitioners**"), being owner of the land in question, has also filed a Criminal Miscellaneous Petition dated January 15, 2019 before the High Court challenging the Order. The matter is currently pending before the High Court.

Outstanding criminal litigation by our Company

1. Our Company has filed a FIR dated February 9, 2021 ("**FIR**") against Hamir Bhulla for an alleged offence of forgery. Subsequently, Hamir Bhulla had filed a Criminal Miscellaneous Petition before the High Court of Judicature at Rajasthan ("**High Court**") on October 12, 2021 for quashing of the FIR, which was dismissed on December 4, 2023 by the High Court. The FIR is currently pending and the chargesheet is yet to be filed by the police.

Actions taken by regulatory and statutory authorities

All actions taken by regulatory and statutory authorities against our Company except for matters numbered 8, 9 and 12 involve our Promoter as a party, and have been separately disclosed in "- *Litigation involving our Promoter – Actions by statutory or regulatory authorities involving our Promoter*" on page 388, and vice versa.

1. DoT filed a civil appeal dated April 5, 2023 against the TDSAT judgment dated December 21, 2021 setting aside clause (iii) of the DoT circular dated August 12, 2016 which excluded spectrum in 2300 MHz / 2500 MHz band *i.e*., BWA spectrum, acquired or allotted prior to the year 2015-16 for the purpose of SUC floor amount. Our Promoter had challenged the clause (iii) of the SUC office order where BWA spectrum was excluded, before the TDSAT through telecommunications petition dated February 13, 2017 on the grounds that the said clause (iii) of the SUC Office Order was arbitrary and discriminatory. Our Company was impleaded by way of an order dated March 29, 2017 as the Petitioner in the original proceedings The matter is currently pending adjudication before Supreme Court.

2. DoT has issued show cause notice dated May 31, 2013 ("**May 31 SCN**") to our Company and our Promoter and show cause notice dated August 1, 2013 ("**August 1 SCN**") to our Company for imposition of financial penalty aggregating to ₹ 1,000.00 million payable by our Company and termination of UAS and cellular mobile telephone service license agreements, in relation to alleged breach of certain conditions of the UAS license agreements. Our Promoter and our Company have responded to the May 31 SCN and August 31 SCN by way of the letters dated July 30, 2013 and September 30, 2013 respectively. The matters are currently outstanding.

3. DoT has filed a civil appeal dated October 8, 2014 before the Supreme Court against our Company, challenging the order dated April 29, 2014 passed by the TDSAT, which held that the 3G intra-circle roaming arrangement does not violate any provision of the UAS license held by our Company and that it is not open to the Government to prohibit our Company from carrying out its services. The matter is currently pending adjudication before Supreme Court.

4. Our Company has filed a review petition against the Supreme Court order dated July 23, 2021, whereby the clarification / modification applications filed by the telecom service providers ("**TSPs**") for

correction of errors in Adjusted Gross Revenue ("**AGR**") demands were dismissed by the Supreme Court. The matter is pending adjudication before the Supreme Court.

Our Company has filed a curative petition in the AGR matter ("**Curative Petition**") against the judgment dated October 24, 2019 and order dated January 16, 2020 of the Supreme Court. The matter is currently pending adjudication before the Supreme Court.

5. The Government published its approval of TRAI's recommendation on "Spectrum Management and Licensing Framework" in relation to spectrum pricing on November 8, 2012. Subsequently, the DoT issued an order dated December 28, 2012 and a demand notice of ₹ 658.90 million dated January 8, 2013 (revised to ₹ 4,737.10 million by way of DoT letter dated June 27, 2018), towards one-time spectrum charge for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and for spectrum holding spectrum beyond 4.4 MHz from January 1, 2013 until expiry of license, which was challenged before the Bombay High Court. The Bombay High Court by way of an order dated January 28, 2013 and October 4, 2019, granted interim protection to our Company. The matter is pending adjudication before Bombay High Court.

6. Our Company challenged the DoT's order dated February 25, 2010 through which DoT revised the 2G spectrum charges applicable on TSPs with effect from April 1, 2010 before the TDSAT. The TDSAT by way of an order dated September 1, 2010 ("**TDSAT Judgement**"), upheld DoT's order dated February 25, 2010. Our Company filed an appeal dated September 1, 2010 against the TDSAT Judgment before the Supreme Court. The Supreme Court, in its order dated October 22, 2010, conditionally stayed the operation of the aforesaid DoT order. All the conditions stipulated by the Supreme Court have been fulfilled by our Company. The matter is pending adjudication before the Supreme Court.

7. The TRAI issued a show cause notice dated September 27, 2016 alleging violations of the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009 ("**QoS Regulations, 2009**") and the provisions of the license agreement in terms of allocation of POIs to Reliance Jio Infocomm Limited ("**RJIO**"). Further, the TRAI on October 21, 2016 recommended a penalty of ₹ 500 million per licensed service area, *i.e.*, aggregating to a total of ₹ 1,000 million in respect of two circles of our Company for the alleged violations mentioned above. On April 5, 2017, DoT referred back the penalty recommendations to TRAI to provide its reconsidered opinion in the light of the comments and observations of DoT.

   On September 29, 2021, DoT issued a penalty demand notice to our Company for an amount of ₹ 1,000 million. The demand notice alleges violation of the QoS Regulations, 2009 due to POI congestion with RJIO. Our Company filed a petition dated October 11, 2021 before the TDSAT challenging DoT's penalty demand, wherein TDSAT directed DoT not to take coercive action for realisation of the penalty under challenge until further orders. The matter is currently pending adjudication before TDSAT.

8. Our Company along with COAI have filed a petition dated April 13, 2016, against the DoT before TDSAT challenging levy of SUC at a higher rate for the spectrum in 2100 MHz band (3G). TDSAT has granted interim relief and allowed operators to pay as per their interpretation of the conditions of the NIA of 2010. The matter is currently pending before TDSAT for final adjudication.

9. DoT issued four demand notices to our Company for alleged violation of electromagnetic fields ("**EMF**") radiation norms which, *inter alia*, included alleged non-compliance or delay in submission of self-certificates, missing signage, self-certificate not provided in the format prescribed by telecommunication engineering centre and measurement of EMF radiation in base transmission stations. These demand notices have been challenged by our Company before the TDSAT which has granted interim stay in these matters. The matters are currently pending for adjudication before TDSAT.

10. Our Company has challenged 21 penalty demand notices issued by various Telecom Enforcement Resource Monitoring Cells through separate petitions before the TDSAT for alleged non-compliance with subscriber verification guidelines due to identity / address mismatch, forgery, sale of pre-activated SIMs, incomplete information, etc. The total amount of demand of penalties across our circles was approximately ₹ 580.00 million. Our Company has obtained stay from the TDSAT against various demand notices and the matters are pending for adjudication. Additionally, our Company has also received seven penalty demand notices issued by various Telecom Enforcement Resource Monitoring Cells for a cumulative amount of ₹ 5.00 million, out of which six penalty demand notices have been

replied to and are currently pending with the DoT, and further, our Company is yet to respond to one penalty demand notice.

11. On July 1, 2020, DoT issued a demand notice for liquidated damages of ₹ 20.00 million alleging non-compliance of rollout obligation in respect of cellular mobile telephone service / unified access service license for North East service area. Our Company challenged the demand notice before TDSAT. The TDSAT has issued directions on July 13, 2020 for no coercive action to be initiated for realization of the demand notice. The matter is pending adjudication before TDSAT.

12. Pursuant to the provisions of the Transfer-Merger Guidelines, our Company notified the DoT on May 22, 2018, of its intention to merge the consumer mobile business of Tata Teleservices Limited with our Company in the Rajasthan LSA. The DoT by way of a letter dated April 10, 2019 granted in-principle approval for the above-mentioned merger, but imposed certain conditions for taking the merger on record.

    Our Company challenged these conditions before the TDSAT and the TDSAT by way of its orders dated May 2, 2019 and May 6, 2019 directed DoT to take the merger on record, subject to the modified conditions. Thereafter TDSAT by way of a common judgment dated December 23, 2020 ("**TDSAT Final Judgement**"), among other things, set side or modified the impugned conditions and accordingly the interim orders were made absolute.

    DoT has filed an appeal before the Supreme Court against the TDSAT Final Judgment dated December 23, 2020 and the matter is pending adjudication before the Supreme Court.

13. The Regional Office, ESIC, Jaipur-1 ("**Regional Office**") passed an order dated April 1, 2009 ("**Order**") directing our Company to pay certain dues amounting to ₹ 0.24 million. Our Company, aggrieved by the Order, filed an application dated April 24, 2009 against the Regional Office before the Employee State Insurance Court, Jaipur ("**ESIC Court**") praying to the ESIC Court to restrain the Regional Office from recovering the amount due and to quash the Order. The matter is currently pending.

Other pending material litigation involving our Company

Material civil proceedings against our Company

All material civil proceedings against our Company except for matters numbered 1, 2, 3 and 4 involve our Promoter as a party, and have been separately disclosed in "*- Litigation involving our Promoter – Other pending material litigation involving our Promoter*" on page 398, and vice versa.

1. The port charges payable by private operators, including by our Company, to BSNL, were modified by Telecommunication Interconnect (Port Charges) Amendment Regulations, 2007 ("**Port Charges Regulations**"). The Port Charges Regulations were challenged by BSNL before the TDSAT. The TDSAT by way of its order dated May 28, 2010 set aside the Port Charges Regulations and directed the TRAI to look into port charges afresh. Thereafter, the TRAI filed an appeal before the Supreme Court, which passed an interim order dated December 15, 2010, wherein it held that in respect of each additional port, the private operators have to provide a bank guarantee on the difference between the rate applicable between 2001 and 2007 per port. The matter is currently pending adjudication before the Supreme Court.

    Subsequently, the TRAI issued Telecommunication Interconnection (Port Charges) (Second Amendment) Regulations, 2012 to be effective from October 1, 2012. These regulations were challenged before the Delhi High Court by way of a writ petition dated February 18, 2014. The Delhi High Court passed an interim order dated February 28, 2014 directing that BSNL shall raise bills as per the Telecommunications Interconnection (Port Charges) (Second Amendment) Regulation, 2012. For the existing ports, our Company gave an undertaking that in case the Delhi High Court decides in favour of BSNL, our Company shall pay the differential amount to BSNL along with the stipulated interest of 9% per annum. The matter is currently pending adjudication before the Delhi High Court.

2. BSNL has filed a petition dated January 31, 2018 before the TDSAT against our Company for payment of annual interconnection charges, *i.e.*, infrastructure and port charges, amounting to ₹ 65.30 million by our Company. BSNL has prayed before the TDSAT to direct our Company to pay the aforementioned amount and interest on the same. The matter is currently pending adjudication before TDSAT.

3. Telecom Service Providers were required to pay distance-based carriage charges to BSNL for mobile to fixed calls. TRAI had, pursuant to the Telecommunication Interconnection Usage Charges Regulation 2003, ("**IUC-2003 Regulations**") prescribed a uniform carriage charge of ₹ 0.20 per minute in case of intra-circle calls, irrespective of the distance from the local exchange. However, BSNL continued to levy distance-based carriage charges at higher slab rates. TRAI had, in certain communications to BSNL, reconfirmed that the flat charge of ₹ 0.20 per minute would continue to be applicable regardless of certain amendments to the IUC-2003 Regulations. In an appeal filed by BSNL before the TDSAT challenging TRAI communication, the TDSAT, by way of its judgment dated May 21, 2010 ("**TDSAT Judgement**") allowed BSNL's appeal and held that BSNL is entitled to recover distance-based carriage charges even in respect of intra-circle Calls. The COAI, an industry association of telecommunications service providers, of which our Company is also a member has filed an appeal against the TDSAT Judgment before the Supreme Court. The matter is currently pending adjudication before Supreme Court.

4. The COAI and others have filed special leave petitions dated January 16, 2013 against the State of Rajasthan and others and also against retired Justice I.S. Israni and others before the Supreme Court challenging the common final judgement and order dated November 27, 2012 passed by the High Court of Judicature for Rajasthan. The Order passed by the High Court has rejected the challenge of COAI and others to the model bye-laws dated August 31, 2012 ("**Model Bye-Laws**") framed by the State of Rajasthan and directed removal of mobile towers: (a) from hospitals, schools, play grounds; (b) from heritage buildings within 100 meters within a period of two months; and (c) from jails within 500 meters within a period of six months and has also upheld the Model Bye-Laws. The Supreme Court has granted an extension on the Order, however only with respect to removal of mobile towers from hospital and college areas by way of an interim order dated January 21, 2013. The matter is currently pending.

5. Dishnet Wireless Limited and another ("**Appellants**") have filed a civil appeal dated January 17, 2019 ("**Civil Appeal 1**") against the Union of India ("**Respondent No. 1**"), our Promoter and our Company, who have been impleaded in the matter ("**Respondent No. 2 and 3**") before the Supreme Court against the order dated January 9, 2018 passed by the TDSAT to the extent of declining refund of ₹ 2,980 million (principal amount of license fee and spectrum usage charges) deposited with the Respondent No. 1 by the Respondent No. 2 and 3 on behalf of the Appellants. The Respondent No. 2 and 3 has also furnished bank guarantees amounting to ₹4,537.31 million with the Respondent No. 1 on behalf of the Appellants. The TDSAT directed the Respondent No. 1 to return all bank guarantees. Thus, the Appellants requested the Supreme Court to implead our Promoter/ our Company as respondents being necessary party. The Appellants have prayed to the Supreme Court to direct the Respondent No. 2 and 3 to return the amount of ₹ 1,120 million withheld and to pay interest till the date of full payment. The Respondent No. 2 and 3 have also filed a civil appeal dated January 23, 2019 before the Supreme Court challenging an order passed by the Supreme Court dated January 8, 2019 whereby the Respondent No. 2 and 3 were impleaded as party respondents in the Civil Appeal 1. The matters are currently pending.

6. Aircel Limited and others filed a civil suit dated April 5, 2019 ("**Civil Suit**") against our Company and our Promoter before the High Court of Delhi at New Delhi ("**High Court**") for recovery of damages and incidental relief for financial loss and costs incurred by Aircel Limited and others owing to the alleged breach of contractual obligations by our Company and our Promoter, cumulatively amounting to ₹ 3,748.61 million, in terms of our term sheet entered into by our Promoter and our Company with Aircel. Our Company responded to the Civil Suit by way of a reply dated June 23, 2020 ("**Reply**") seeking dismissal of the Civil Suit. Separately, among others, our Company has also filed application for rejection of the plaint under order VII rule 11 of CPC. The matter is pending adjudication before Delhi High Court.

Material Civil proceedings by our Company

Nil

B. Litigation involving our Promoter

Outstanding criminal litigation involving our Promoter

Criminal proceedings by our Promoter

Nil

Criminal proceedings against our Promoter

1. Md. Fazlur Rehman ("**Complainant**") filed a complaint ("**Complaint**") before the Court of Chief Judicial Magistrate, Dibrugarh on February 22, 2015 under Sections 406 and 34 of the IPC, alleging that our Promoter had advertised a scheme wherein, upon an online recharge of certain value, internet data of 2.5 GB with a validity period of 30 days would be provided. However, the Complainant alleged that upon such recharge he received only 2 GB data with a validity period of 28 days. Cognizance was taken on the Complaint by the trial court, against which our Promoter filed a petition under Section 482 of the Cr. PC before the Guwahati High Court praying for quashing of the Complaint. The Guwahati High Court by way of orders dated April 4, 2016 and May 6, 2016 stayed the proceedings before the trial court. The matter is currently pending.

2. Akanshi Srivastava ("**Complainant**") filed an application under Section 156(3) of the Cr. PC on August 24, 2006 before the Chief Judicial Magistrate, Ghaziabad, ("**Trial Court**") *inter alia*, against our Promoter and certain officers of our Promoter (collectively the "**Accused Persons**") alleging the commission of offences under Sections 323, 504, 506, and 406 of the IPC and Section 72 of the Income Tax Act, 1961 ("**Income Tax Act**") for the alleged disclosure of personal and confidential information of her son such as billing address, call details, call duration, etc. to other persons. The Trial Court ordered investigation basis the police report and took cognizance of the matter. Upon a petition filed by our Promoter under Section 482 of the Cr. PC before the Allahabad High Court, the proceedings before the Trial Court were stayed. Both matters are currently pending.

3. K. Lakshmana Kailash ("**Complainant**") filed criminal complaint before the Court of Additional Chief Metropolitan Magistrate-VI, Bangalore on August 28, 2008 under Section 190(A) read with Section 200 of the Cr. PC and Sections 197 and 203 of the IPC against our Promoter amongst others, alleging that our Promoter intentionally provided false information to the police with respect to a case under investigation. The Court of Additional Chief Metropolitan Magistrate-VI, Bangalore through an order dated September 5, 2009 took cognizance of the aforementioned offences and issued summons against our Promoter and some of its officials. In a petition under Section 482 of the Cr. PC, by way of an order dated August 30, 2013, the Karnataka High Court quashed the proceedings against the individuals. Subsequently, by way of final judgment dated November 23, 2023 ("**Final Judgement**") the trial court upheld charges against our Promoter under Section 197 and 203 of the IPC and imposed a fine of Rs. 0.02 million. Our Promoter has preferred an appeal before the Sessions Judge, Bangalore and the Karnataka High Court by way of an order dated December 26, 2023 admitted the appeal and pending disposal of the appeal, suspended the Final Judgment subject to certain conditions. The matter is currently pending.

4. V.S. Suresh ("**Complainant**") filed a criminal complaint ("**Complaint**") before the Metropolitan Magistrate-VII, Chennai ("**Trial Court**") against our Promoter and an officer of our Promoter ("**Individual Accused**"). Pursuant thereto, a FIR, among others, under Sections 292 of the IPC was registered. Upon charge sheet by the police, the Metropolitan Magistrate took cognizance under Sections 292 of the IPC. Our Promoter and the Individual Accused filed petitions under Section 482 of the Cr. PC before the Madras High Court seeking to quash the proceedings in the Complaint, which came to be dismissed. The order passed by Madras High Court has been challenged by the Individual Accused before the Supreme Court. The Supreme Court, by way of its order dated December 14, 2020, has stayed the proceedings before the Trial Court . The matter is currently pending.

5. Iqbal Ahmed ("**Complainant**") filed an original suit on April 23, 2007 seeking the declaratory injunction and the ownership of certain property and on September 23, 2008 a complaint under Section 156(3) of the Cr. PC ("**Complaint**") before the Chief Judicial Magistrate, Saharanpur (Uttar Pradesh) ("**Trial Court**" or "**Magistrate**") alleging that our Promoter had illegally taken possession of his land for installation of telecom tower. The Magistrate through order dated March 8, 2010 dismissed the Complaint holding the dispute to be civil in nature. Against the order of dismissal, a revision petition was filed by the Complainant, which was allowed. Pursuant thereto, the Trial Court took cognizance of the complaint under Section 447 of the IPC. Since no cognizance was taken against the Managing Director of our Promoter, the Complainant being aggrieved of the order dated September 21, 2010 filed another revision petition which was dismissed by the Sessions Court. Against the dismissal of Revision Petition by the Sessions Court, the Complainant has filed a petition under section 482 of Cr. PC before the Allahabad High Court. Our Promoter has separately filed a petition under section 482 of Cr. PC before the Allahabad

High Court for quashing of the proceedings and cognizance order dated September 21, 2010. The Allahabad High Court has stayed proceedings before the Trial Court. The matters are currently pending.

6. The New Delhi Municipal Corporation filed a complaint ("**Complaint**") before the Metropolitan Magistrate, New Delhi ("**Trial Court**") against our Promoter under Sections 252 and 369(1) of the New Delhi Municipal Corporation Act, 1957 ("**Act**") alleging that by installation of a remote switching unit at certain premises situated at Khan Market, New Delhi, our Promoter and other accused persons had purportedly violated the aforesaid provisions. Our Promoter challenged the summoning orders and the complaint in a petition under Section 482 of the Cr. PC before the Delhi High Court. The Delhi High Court has stayed further proceedings before the Trial Court. The matter is currently pending.

7. Four criminal complaints were filed by the Municipal Corporation, Cochin in the Police Stations at Ernakulum (Kerala) against our Promoter, alleging violation of provisions of Prevention of Damage to Public Property Act, 1984 alleging that it had laid underground cables without prior permission. The police sought certain information from our Promoter, which our Promoter provided and there is no further correspondence from the police.

8. Alok Kumar ("**Complainant**") being aggrieved of sudden disconnection/barring of his mobile number and receipt of threatening calls, approached police station – Patrakar Nagar, Patna and requested for a first information report to be registered against our Promoter. The police after preliminary investigation found the complaint to be frivolous and refused to register the first information report. Subsequently, the Complainant approached. The Court of Chief Judicial Magistrate, Patna, upon a complaint filed by Alok Kumar ("**Complainant**") under section 156(3) of the Code of Criminal Procedure, 1973, alleging wrongful disconnection of his mobile number and receipt of threatening calls, has directed the police to register a FIR against our Promoter, which is being investigated. The matter is currently pending.

9. Amit Vikram, an ex-employee of our Promoter in Patna ("**Complainant**") has filed a criminal complaint before the Court of the Chief Judicial Magistrate, Patna ("**Trial Court**") against certain officials and Directors of our Promoter, alleging certain malpractices. The Trial Court took cognizance against the accused. Criminal revision petition and petitions under Section 482 of CrPC have been filed before the High Court for quashing of the complaint. The Patna High Court by way of an order dated May 16, 2019 has stayed the proceedings before the trial court. The matter is currently pending.

Actions by statutory or regulatory authorities involving our Promoter

1. The Government published its approval of TRAI's recommendation on "Spectrum Management and Licensing Framework" in relation to spectrum pricing on November 8, 2012. Subsequently, the DoT issued an order dated December 28, 2012 and demand notice of ₹ 51,353.60 million dated January 8, 2013 (revised to ₹ 79,402.90 million by way of DoT letter dated June 27, 2018), towards one-time spectrum charge (OTSC) for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and for spectrum holding spectrum beyond 4.4 MHz from January 1, 2013 until expiry of license, which was challenged by our Promoter before the Bombay High Court. The Bombay High Court by way of an order dated January 28, 2013 and October 4, 2019, granted interim protection to our Promoter. The matter is pending adjudication before Bombay High Court.

2. Our Promoter challenged the DoT's order dated February 25, 2010 through which DoT revised the 2G spectrum charges applicable on Telecom Service Providers with effect from April 1, 2010 before the TDSAT. The TDSAT by way of judgment dated September 1, 2010, ruled in favor of the DoT upholding its aforesaid DoT order. Our Promoter filed an Appeal against TDSAT judgment before the Supreme Court. The Supreme Court, in its order dated October 22, 2010, conditionally stayed the operation of the aforesaid DoT order. All the conditions stipulated by the Supreme Court have been fulfilled by our Promoter. The matter is pending adjudication before the Supreme Court.

3. DoT filed an appeal against the TDSAT's judgment dated December 21, 2021 setting aside clause (iii) of the DoT circular dated August 12, 2016 which excluded spectrum in 2300 MHz / 2500 MHz band *i.e.*, BWA spectrum, acquired/allotted prior to 2015-16 for the purpose of SUC floor amount. Our Promoter had challenged the clause (iii) of the SUC Office Order where BWA spectrum is excluded, before the TDSAT through telecommunications petition dated February 13, 2017. on the grounds that the said clause (iii) of the SUC Office Order was arbitrary and discriminatory. The matter is pending adjudication before Supreme Court.

4. DoT, through demand notice dated November 14, 2018, imposed penalty of ₹ 500.00 million on our Promoter for the alleged violation of the ILD license by providing ILD services to a non-licensed entity SingTel. Our Promoter challenged the demand notice of the DoT before the TDSAT by filing a petition on November 27, 2018. The TDSAT, by way of its interim order dated November 29, 2018, stayed the demand notice. The DoT issued a fresh demand notice dated March 8, 2019, alleging that it is in continuation of the earlier demand dated November 14, 2018. The subsequent notice is also impugned by our Promoter before the TDSAT. The TDSAT by way of an order dated March 15, 2019, stayed the fresh demand notice dated March 8, 2019, issued by the DoT. The matter is pending adjudication before the TDSAT.

5. DoT released 'Guidelines for Grant of Unified License' dated August 19, 2013 and an amendment dated December 8, 2013 by which it permitted the existing ISP license holders to continue with their existing licenses without migration to new Unified License ("**UL**") regime, but mandated migration of the licenses which are due for renewal to the UL regime. As our Promoter's ISP license was nearing its expiry, our Promoter applied for the UL, which was duly granted by the DoT.

   The UL License was signed by our Promoter on October 16, 2014 with ISP Category "A" Authorization which was effective from March 3, 2014. However, the new UL regime also mandated payment of license fee on revenue from pure internet services. This was challenged by our Promoter along with CJ Online Private Limited on the ground that the DoT has created a distinction between the existing ISP licensees and the licensees migrating to the UL regime as a result of the renewal, forcing upon the latter category to pay license fee revenue from pure internet services, thereby discriminating them and disturbing the level playing field within the industry.

   ISPAI**,** an industry association of ISPs, had also filed a similar petition before TDSAT, which was allowed by TDSAT by way of its judgment dated October 18, 2019 ("**ISPAI Judgment**"), wherein the TDSAT set aside the DoT's decision to include revenue from pure internet service in the adjusted gross revenue for levy of license fee on the ISPs under UL. TDSAT had also set aside all demands of license fee with a direction to DoT to raise revised demands based on same concept of adjusted gross revenue, as is being done in respect of ISPs with licences under the old regime. Further, the operators were allowed to pay such revised demand forthwith after deducting payments, if any. The TDSAT, on June 12, 2020, following ISPAI judgment, allowed the petition filed by our Promoter and set aside the demand notices.

   DoT has filed an appeal against the ISPAI Judgment before the Supreme Court and our Promoter has filed an intervention application in the appeal. The Supreme Court by way of order dated January 5, 2021 admitted the appeal and also allowed our Promoter's intervention application, with the direction that DoT shall not be required to refund any amounts pursuant to TDSAT judgment and parties shall be bound by the final directions as may be passed by the Supreme Court. On September 15, 2022, DoT issued a circular instructing CCA's to raise demands in the following manner: (i) Part A: license fee will be calculated by allowing the deductions claimed on revenue from pure internet services and the same will become payable; and (ii) Part B: license fee dues will be calculated by disallowing the deductions claimed on revenue from pure internet services. The realization of this will be subject to the outcome of the matter pending. The matter is pending adjudication before Supreme Court.

6. DoT by way of their order dated April 18, 2002 introduced the frequency based Microwave Access and Backbone rates. Thereafter, the DoT had enhanced the microwave charges by introducing the slab-wise rates based on the number of carriers in circulars dated November 3, 2006 and November 10, 2008 (earlier it was based on the allocated frequency). Our Promoter along with COAI challenged the aforesaid DoT circulars in the TDSAT by filing the petition dated May 28, 2007.

   The TDSAT by way of its judgment dated April 22, 2010 set aside and quashed the applicability of the DoT circulars dated November 3, 2006 and November 10, 2008 to UASL contracts. And the petition was allowed. Thereafter the DoT challenged the order of the TDSAT through a special leave petition filed before the Supreme Court, which is pending adjudication.

7. Our Promoter has filed a review petition against the Supreme Court order dated July 23, 2021, whereby the clarification / modification applications filed by the telecom service providers for correction of errors in the Adjusted Gross Revenue ("**AGR**") demands, were dismissed by the Supreme Court. The matter is pending adjudication before the Supreme Court.

Our Promoter has also filed a curative petition in the AGR matter ("**Curative Petition**") against the order dated October 24, 2019 and order dated January 16, 2020 of the Supreme Court. The matter is pending adjudication before the Supreme Court.

8. Our Promoter has challenged DoT's demand dated August 17, 2021 for seeking payment of Videocon Telecommunication Limited's AGR dues from our Promoter. Our Promoter approached the Supreme Court and granted liberty to approach TDSAT. The TDSAT by way of its interim order dated September 16, 2021, stated, *inter alia*, that until further orders DOT will not give effect to the impugned notice dated August 17, 2021. The matter is pending adjudication before TDSAT.

9. DoT has issued show cause notice dated May 31, 2013 ("**May 31 SCN**") to our Promoter and our Company for imposition of financial penalty aggregating to ₹ 3,000.00 million payable by our Promoter and termination of UAS license agreements, in relation to alleged breach of certain conditions of the UAS license agreements. Our Promoter has responded to the May 31 SCN by way of its letter dated July 30, 2013. The matter is currently outstanding.

   DoT has filed a civil appeal dated October 8, 2014 before the Supreme Court of India against our Promoter, our Company and others challenging the judgement/ order dated April 29, 2014 passed by the TDSAT which has held that the 3G intra-circle roaming (ICR) arrangement does not violate any provision of the UAS license held by our Promoter and our Company and it is not open to the Government to prohibit our Promoter and our Company from carrying out their services. The matter is pending adjudication before Supreme Court.

10. The TRAI issued a show cause notice on September 27, 2016 to our Promoter alleging violations of the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009 and the provisions of the License Agreement in terms of Allocation of POIs to Reliance Jio Infocomm Limited. Further, the TRAI on October 21, 2016 recommended a penalty of ₹ 9,500.00 million on our Promoter for the alleged violations mentioned above.

    On April 5, 2017, DoT referred back the penalty recommendations to TRAI to provide its reconsidered opinion in the light of the comments and observations of DoT.

    On September 29, 2021, DoT issued a penalty demand notice for an amount of ₹ 9,500.00 million on our Promoter. The demand notice alleges violation of the QoS Regulations, 2009 due to POI congestion with RJIO. Our Promoter and our Company filed a petition before the TDSAT challenging DoT's penalty demand, wherein TDSAT directed DoT not to take coercive action for realisation of the penalty under challenge until further orders. The matter is pending adjudication before TDSAT.

11. Our Promoter challenged the DoT demand dated March 23, 2017 before the TDSAT of ₹ 538.00 million for alleged violation of license conditions due to renting of SIMs and purported under reporting of gross revenue. The TDSAT by way of an interim order dated April 11, 2017 has stayed the operation of the demand notice. The matter is pending adjudication before TDSAT.

12. On November 9, 2021, DoT issued a demand notice imposing a penalty of ₹ 500.00 million for alleged violation of ILD license by providing ILD services to non-licensed entities viz., BT (India) Private Limited and Equant Network Services International Limited. Our Promoter has filed a petition challenging the said demand before TDSAT, wherein by way of an order dated December 6, 2021, TDSAT has granted stay on the demand notice. The matter is pending adjudication before TDSAT.

13. Our Promoter has challenged DoT's demand notice dated March 21, 2017 imposing penalty of ₹ 250.00 million before TDSAT whereby DoT alleged that our Promoter in the year 2011 had tampered with the caller line identification of calls made from its outgoing call centres to the subscribers of other TSPs including BSNL. TDSAT by way of an interim order dated March 31, 2017, directed that no coercive action shall be taken by the DoT. The present matter is pending adjudication before TDSAT.

14. On July 1, 2020, DoT issued a demand notice for liquidated damages of ₹ 117.5.00 million alleging non-compliance of rollout obligation in respect of cellular mobile telephone service / unified access service license for Bihar, Gujarat, J&K, MP, Mumbai, Orissa, Tamil Nadu, UP (East) and West Bengal service areas, which demand was recalculated/revised and reduced to ₹ 103.5 million by DoT on September 11,

2020. Our Promoter challenged the demand notices before TDSAT. The TDSAT has issued directions for no coercive action to be initiated for realization of the demand notice. The matter is pending adjudication before TDSAT.

15. DoT, by way of a letter dated August 5, 2005, had raised demand for ₹ 50.40 million, towards provisional re-assessment of license fee for the Financial Year 2001-2002, 2002-2003 and 2003-2004 (including principal, interest and penalty) on the VSAT Services of Comsat Max (subsequently known as Bharti Broadband Limited and thereafter Bharti Airtel Limited, our Promoter). On August 22, 2005, our Promoter made a payment of ₹ 50.50 million under protest to DoT. Further, our Promoter had challenged the said demand before TDSAT. TDSAT by way of its judgement dated February 11, 2010 had set aside the demand raised by DoT. On April 29, 2010, our Promoter sought refund of the amount paid on August 22, 2005 amounting to ₹ 50.50 million but DoT declined to give the refund and filed an appeal before the Supreme Court against the TDSAT judgment. The matter is pending adjudication before Supreme Court.

16. Our Promoter along with COAI has filed a petition before TDSAT, challenging the validity of DoT circular dated November 11, 2014 in so far as it provides in clause 4(vi) that excess payment of Spectrum Usage Charges ("**SUC**") as on 31st March of any financial year will not be carried forward to the next financial year till the final assessment of SUC. The petition also challenges the levy of interest charged by DoT on the alleged shortfall of payment of SUC by the TSPs based on self-assessment. On August 3, 2015, a notice was issued in the matter. The tribunal indicated that they are not inclined to stay the impugned circular but will stay the demand notes received by the TSPs seeking interest on shortfall of SUC arising out of the impugned circular. The matter is pending final adjudication.

17. Our Promoter had challenged the validity of Telecommunication Tariff (Sixty Third Amendment) Order, 2018 ("**TTO**") had brought changes in the regulatory framework related to tariffs, including, inter-alia, definition of reporting requirement, significant market power and non-predation, before TDSAT, wherein by way of a judgment dated December 13, 2018, TDSAT set aside the TTO to the extent it changes the concept of SMP, non-predation and related provisions. TRAI was also directed to reconsider these provisions in light of the judgment and the issue of segmented offers through open consultation process, within 6 months. TDSAT, however, allowed TRAI to call for details of any segmented offer about which it may receive complaints on case to case basis. TRAI filed an appeal against the TDSAT judgment dated December 13, 2018 before the Supreme Court, wherein Supreme Court by way of its order dated January 21, 2019 directed that there will be no stay on the judgment except to the extent of the remand. Thereafter, TRAI filed an application before Supreme Court, seeking direction to our Promoter to disclose information sought by TRAI regarding segmented offers, which was allowed by the Supreme Court by way of an order dated November 6, 2020 directing TRAI to maintain confidentiality and not disclose such information to the competitors or any other person. Our Promoter has complied with the same. The matter is pending final adjudication.

18. In West Bengal Circle, our Promoter applied for liberalization of 1.8 MHz (administrative) spectrum in 1800 MHz Band in accordance with the DoT's liberalization policy dated November 5, 2015. DoT, by way of a letter dated July 14, 2016, sought payment of (i) liberalization charges of ₹ 228.90 million; and (ii) One Time Spectrum Charge ("**OTSC**") for the period from January 1, 2013 till July 29, 2016 to accord approval for liberalization. On August 4, 2016, our Promoter submitted a demand draft towards liberalization charges and intimated DoT about interim stay from Bombay High Court in OTSC matter. Further, our Promoter challenged DoT's letter before TDSAT on August 2, 2016, to the extent it sought payment of OTSC, wherein by way of an conditional interim order dated August 10, 2016, TDSAT allowed the liberalization. Our Promoter duly complied with the condition, post which DoT granted its approval. The interim relief continues to be inforce. The matter is pending adjudication before TDSAT.

19. COAI, along with our Promoter, challenged the legality of DoT's dual spectrum/dual technology policy for allotment of both GSM and code-division multiple access ("**CDMA**") spectrum under the same license to CDMA operators, before the TDSAT. TDSAT, *inter alia*, upheld DoT's dual spectrum policy by way of a judgment dated March 31, 2009. COAI along with our Promoter filed an appeal before the Supreme Court against TDSAT's judgment dated March 31, 2009. The matter is pending final adjudication.

20. Pursuant to our Promoter's application for grant of unified license ("**UL**"), DoT, by way of a letter of intent dated May 9, 2014 ("**LOI**"), imposed condition to furnish unconditional and absolute undertaking

regarding payment of all dues and incorporated license condition prohibiting 3G ICR arrangement and by way of a letter dated September 3, 2014 sought unconditional acceptance to the LOI within 7 days from our Promoter. Our Promoter approached the Bombay High Court seeking appropriate direction with reference to unconditional acceptance LOI/ UL. The Bombay High Court by way of an order dated September 11, 2014, directed that an undertaking given shall be subject to rights and contentions of our Promoter, finally determined by the court of law and observed that our Promoter is willing to submit compliance of LOI including the furnishing of undertaking for grant of the unified license. The matter is pending adjudication before Bombay High Court.

21. In 2009, our Promoter had challenged DoT's license fee demand for Financial Year 2005-2006 due to inconsistent methodology followed by DoT for pass through costs (accrual or paid basis). TDSAT by way of its judgment dated March 4, 2010 ruled in favour of our Promoter, set aside the DoT demand and directed DoT to adjust accounts on accrual basis for both revenue as well as pass through cost. DoT filed an appeal before Supreme Court against the TDSAT judgment, which is pending final adjudication.

22. DoT has filed an appeal on November 21, 2013 before the Supreme Court against the TDSAT judgment dated October 17, 2012, setting aside DoT order dated May 8, 2012 in so far as it confined allocation of BWA spectrum to 18 years and 6 months in place of 20 years and direction to comply with 50% rollout obligation within a period of 3 years and 5 months instead of 5 years in Delhi, Mumbai, Haryana and Kerala. Pursuant to the scheme of amalgamation between Airtel Broadband Services Private Limited (formerly known as Wireless Business Services Private Limited) and our Promoter, our Promoter became formal respondent no. 2 vide Supreme Court order dated November 21, 2016. The matter is pending adjudication before Supreme Court.

23. *Litigations relating to Telecom Commercial Communication Customer Preference Regulations, 2018* **("TCCCPR")**

   a) India Mart has filed a writ petition before Delhi High Court challenging the TCCCPR and more specifically the power granted to the telecom operators to impose financial disincentives on telemarketers for violation of the said regulations. COAI has filed the impleadment application which has been allowed. The matter is pending final adjudication.

   b) Another writ petition has been filed by an individual (Arvind Singh) seeking stringent enforcement of the erstwhile TCCCP Regulations, 2010 and levy of penalty on telemarketers as well as telecom operators for alleged lapses vis-à-vis the compliance of the said regulations. The petitioner has also sought amendment of the writ petition for incorporating TCCCPR. The matter is pending final adjudication.

24. TRAI has filed an appeal before the Supreme Court on December 7, 2010 against the TDSAT judgment dated September 29, 2010 wherein TDSAT had remanded the IUC (Tenth Amendment) Regulations 2009 to TRAI to consider the matter afresh, *inter alia*, with respect to fixing of mobile termination charges, increase in termination charges on international incoming calls, determination of transit charges / carriage charge etc. with the direction that TRAI will complete the consultation process in a time bound manner so that new IUC charges could be made effective/implemented by the date stipulated by the TDSAT. The TRAI appeal was admitted by the Supreme Court and an extension of four months' time to implement the order of TDSAT was granted to TRAI. The Supreme Court by its order dated July 29, 2011 directed TRAI to compute IUC with & without the inclusion of capital cost. TRAI was asked to give its working on the same by October 30, 2011. TRAI completed the exercise and filed its workings on October 31, 2011. On November 1, 2011, TRAI filed an application for directions seeking permission to notify the revised IUC guidelines. On March 21, 2012, TRAI mentioned their application in Supreme Court and requested that their application (for notification of revised IUC) be heard as the main matter is likely to take time. On April 13, 2012, this application was dismissed by the Supreme Court while stating that the Court sees no justification in entertaining the prayers in the application. The matter is pending adjudication before Supreme Court.

25. DoT has filed an appeal before the Supreme Court against the TDSAT order dated November 19, 2009 quashing the levy of interest and penalty upon the TSPs for the period February, 1999 and December, 2001 on the WPC charges, being not authorised under the contract between the parties. The matter is pending final adjudication.

26. DoT has issued 28 demand notices to our Promoter for alleged violation of electromagnetic fields ("**EMF**") radiation norms which, *inter alia,* included alleged non-compliance or delay in submission of self-certificates, missing signage, self-certificate not provided in the format prescribed by telecommunication engineering centre and measurement of EMF radiation in base transmission stations. Our Promoter has approached TDSAT against EMF demands, wherein TDSAT has granted interim stay. The matters are pending adjudication before TDSAT.

27. Our Promoter has been issued 76 penalty demand notices by various Telecom Enforcement Resource Monitoring Cells, out of which it has challenged 24 penalty demand notices through separate petitions before the TDSAT/High Courts/Supreme Court for alleged non-compliance with subscriber verification guidelines due to identity / address mismatch, forgery, sale of pre-activated SIMs, incomplete information etc. The total amount of demand of penalties across various circles was approximately ₹8,166.80 million. Our Promoter has obtained stay from the TDSAT/ High Court against various demand notices and the matters are pending adjudication.

28. Our Promoter along with COAI have filed a petition against the DoT before the TDSAT challenging levy of SUC at a higher rate for the spectrum in 2100 MHz band (3G). TDSAT has granted interim relief and allowed operators to pay as per their interpretation of the conditions of the NIA of 2010. The matter is currently pending before TDSAT for final adjudication.

29. Merger Matters:

    a. Pursuant to the provisions of the "Guidelines for Transfer/Merger of various categories of Telecommunication service licenses/authorisation under Unified License ("**UL**") on compromises, arrangements and amalgamation of the companies" dated February 20, 2014 ("**Transfer-Merger Guidelines**"), our Promoter sought approval from DoT for the merger of below companies with our Promoter:

        i. Airtel Broadband Services Private Limited ("**ABSPL**") having access spectrum in the 2300 MHz band in Delhi, Mumbai, Haryana, and Kerala LSAs,
        ii. Augere Wireless Broadband India Pvt. Ltd. ("**Augere**") having access spectrum in the 2300 MHz band in Madhya Pradesh LSA;
        iii. Bharti Digital Networks Pvt. Ltd. ("**Tikona**") having access spectrum in the 2300 MHz band in Gujarat, Himachal Pradesh, Uttar Pradesh – East, and Uttar Pradesh – West LSAs
        iv. Telenor India Communications Pvt Ltd ("**Telenor**") having access spectrum in the 1800 MHz band in Andhra Pradesh, Bihar, Maharashtra, Gujarat, UP (East) and UP (West) and Assam with the service authorizations of Telenor pertaining to NLD, ILD and internet services.

    DoT in its in-principle approvals dated February 2, 2015 for ABSPL, January 17, 2017 for Augere, August 17 2018 for Tikona and April 3, 2018 for Telenor, imposed certain conditions. Our Promoter challenged those conditions before TDSAT and TDSAT, by way of a common Judgment dated March 19, 2019, quashed one of the impugned conditions. DoT filed an appeal before the Supreme Court against the TDSAT judgment dated March 19, 2019, which is pending adjudication before the Supreme Court.

    Aggrieved with the TDSAT order for not addressing other prayers in the petition, our Promoter filed a review application for, *inter alia*, setting aside the remaining conditions imposed by the DoT and a direction to the DoT to extend the effective date of allocation of spectrum to offset the delay caused by the DoT. TDSAT, by way of its common judgment dated July 31, 2019, inter-alia, quashed or modified the remaining impugned conditions. DoT has filed an appeal against the TDSAT judgment dated July 31, 2019, which is currently pending before the Supreme Court.

    b. Pursuant to the provisions of the Transfer-Merger Guidelines, our Promoter notified the DoT on May 22, 2018, of its intention to merge the consumer mobile business of Tata Teleservices Limited ("**TTSL**") with our Promoter (in Andhra Pradesh, Bihar, Delhi, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Kolkata, Madhya Pradesh, Orissa, Punjab, Tamil Nadu (including erstwhile Chennai), Uttar Pradesh (E), Uttar Pradesh (W), West Bengal); and Tata Teleservices (Maharashtra) Limited ("**TTML**") with our Promoter (in Mumbai and Maharashtra). The DoT by way of letter dated April 10, 2019 granted in-principle approval for the aforesaid mergers, but imposed certain conditions for taking the transfer/merger on record. Our Promoter challenged those conditions before the TDSAT. TDSAT by way of its order dated May 2, 2019 and May 6, 2019 directed DoT to take the merger of companies and license on record subject to the modified conditions. Thereafter TDSAT by way of common judgment dated December 23, 2020, among other things, set side or modified the impugned conditions and accordingly the interim orders were made absolute.

DoT has filed an appeal before the Supreme Court against the TDSAT final Judgment dated December 23, 2020 and the matter is pending for adjudication before Supreme Court.

30. The TRAI, by way of the International Telecommunication Access to Essential Facilities at Cable Landing Standing Regulations, 2007 dated June 7, 2007, and an amendment thereto dated October 19, 2012 (together, "**2007 Regulations**"), and the International Telecommunication Cable Landing Stations Access Facilitation Charges and Co location Charges Regulations, 2012 dated December 21, 2012 ("**2012 Regulations**", and together with the 2007 Regulations, the "**Regulations**") had specified that the charges for access facilitation, co-location, and operation and management were to be charged by the owner of CLS with effect from January 1, 2013. Our Promoter and Tata challenged the Regulations before the Madras High Court, wherein they were granted a stay. Thereafter, the Madras High Court by way of its judgment dated November 11, 2016, dismissed both the petitions. Our Promoter filed an appeal before a Division Bench of the Madras High Court. The High Court, by way of its judgment dated February 2, 2018, set aside Schedules I, II and III of the 2012 Regulations and further directed TRAI to re-enact the quashed Schedules after adhering to the procedure of transparency and principles of natural justice.

    Tata Communications filed a Special Leave Petition against the impugned common judgement dated February 2, 2018 passed by the High Court of Judicature at Madras. Our Promoter has filed the impleadment application in the Special Leave Petition. The matter, along with our Promoter's impleadment application, is pending adjudication before Supreme Court.

31. DoT issued a show cause notice dated November 17, 2014 to Unitech Wireless Pvt Ltd for payment of reserve price amounting to ₹ 6,526.90 million in addition to interest payable on the said amount, for continuation of services until November 27, 2013 in six circles namely Andhra Pradesh, Bihar, Gujarat, Maharashtra, Uttar Pradesh (East) and Uttar Pradesh (West) and until February 16, 2013 in the remaining circles.

    Later, the DoT reconsidered the demand amount specified in the aforesaid show cause notice and issued a demand notice dated September 22, 2016 for payment of ₹ 8,408.67 million that included interest amounting to ₹ 1,881.77 million, calculated for the period from the date of the aforesaid show cause notice until the date of this demand notice. Telenor and Unitech Wireless challenged this demand notice before the TDSAT, where TDSAT granted interim stay against the demand. While the matter was pending, DoT issued a revised demand notice dated February 14, 2017 for payment of ₹ 7,701.58 million for the continued service wherein the principle amount was reduced from ₹ 6,526.90 million to ₹ 4,862.30 million, however the interest levied was increased, calculated from February 15, 2013 instead of November 17, 2014 (specified in the earlier demand notice). Telenor and Unitech Wireless impugned this revised demand notice before the TDSAT in pending matter and obtained stay orders extending the interim protection. The matter is pending adjudication before the TDSAT.

32. TRAI has issued the following orders for payment of financial disincentive to our Promoter for alleged non-compliance of the provisions of the Telecom Commercial Communications Customer Preference Regulations, 2018:

    a. On November 23, 2020, for an amount of ₹ 13.39 million (including ₹ 3,000 in respect of Rajasthan circle), for the quarter ending June, 2020. Our Promoter filed a representation to TRAI against the same on December 11, 2020, in response to which, TRAI, on March 25, 2022, called upon our Promoter to pay the financial disincentive. Our Promoter again filed a representation to TRAI on June 24, 2022, in response to which TRAI, on March 14, 2023, again called upon our Promoter to pay the financial disincentive. Our Promoter has, once again, filed a representation to TRAI on May 30, 2023. On January 3, 2024 TRAI issued a reminder to our Promoter to deposit the total pending amount of financial disincentive as specified above. The matter is currently pending.

    b. On August 11, 2023, for an amount of ₹ 48.92 million (including ₹ 0.08 million in respect of Rajasthan and North East circles), 2018, for the quarter ending September, 2020. Our Promoter has filed a representation to TRAI against the same on September 27, 2023. On January 3, 2024 TRAI issued a reminder to our Promoter to deposit the total pending amount of financial disincentive as specified above. The matter is currently pending.

c. On August 11, 2023, for ₹ 37.93 million n (including ₹ 0.01 million in respect of Rajasthan and North East circles), for the quarter ending December, 2020. Our Promoter has filed a representation to TRAI against the same on September 27, 2023. On January 3, 2024 TRAI issued a reminder to our Promoter to deposit the total pending amount of financial disincentive as specified above. The matter is currently pending.

d. On August 11, 2023, for ₹ 30.36 million (including ₹ 0.01 million in respect of Rajasthan and North East circles), for the quarter ending March, 2021. Our Promoter has filed a representation to TRAI against the same on September 27, 2023. On January 3, 2024 TRAI issued a reminder to our Promoter to deposit the total pending amount of financial disincentive as specified above. The matter is currently pending.

e. On September 6, 2023, for ₹ 30.26 million (including ₹ 0.01 million in respect of Rajasthan and North East circles), for the quarter ending June, 2021. Our Promoter has filed a representation to TRAI against the same on September 27, 2023. On January 3, 2024 TRAI issued a reminder to our Promoter to deposit the total pending amount of financial disincentive as specified above. The matter is currently pending.

f. On September 6, 2023, for ₹ 24.70 million (including ₹ 0.03 million in respect of Rajasthan and North East circles), for the quarter ending September, 2021. Our Promoter has filed a representation to TRAI against the same on October 31, 2023. On January 3, 2024 TRAI issued a reminder to our Promoter to deposit the total pending amount of financial disincentive as specified above. The matter is currently pending.

g. On September 27, 2023, for ₹ 28.14 million (including ₹ 3,000 in respect of Rajasthan circle), for the quarter ending December, 2021. Our Promoter has filed a representation to TRAI against the same on October 31, 2023. On January 3, 2024 TRAI issued a reminder to our Promoter to deposit the total pending amount of financial disincentive as specified above. The matter is currently pending.

33. TRAI has issued the following show-cause notices to our Promoter, seeking reasons for alleged non-compliance of the provisions of the Telecom Commercial Communications Customer Preference Regulations, 2018:

a. On January 16, 2024, for the quarter ending March, 2022 (including Rajasthan and North East circles). The matter is currently pending.
b. On January 16, 2024, for the quarter ending June, 2022 (including Rajasthan and North East circles). The matter is currently pending.
c. On January 16, 2024, for the quarter ending September, 2022 (including Rajasthan and North East circles). The matter is currently pending.
d. On January 16, 2024, for the quarter ending December, 2022 (including Rajasthan and North East circles). The matter is currently pending.
e. On March 19, 2024, for the quarter ending March, 2023 (including Rajasthan and North East circles). The matter is currently pending.
f. On March 19, 2024, for the quarter ending June, 2023 (including Rajasthan and North East circles). The matter is currently pending.
g. On March 19, 2024, for the quarter ending September, 2023 (including Rajasthan and North East circles). The matter is currently pending.
h. On March 19, 2024, for the quarter ending December, 2023 (including Rajasthan and North East circles). The matter is currently pending.

34. On October 3, 2023, TRAI issued a show-cause notice to our Promoter, seeking reasons for alleged non-compliance of the quality of service benchmarks for basic services, for the quarter ending June, 2023 for 18 LSAs (including Rajasthan LSA). Our Promoter has filed its response to the same on October 10, 2023. The matter is currently pending.

35. On March 18, 2024, TRAI issued an order for payment of financial disincentive to our Promoter, for an amount of ₹ 0.20 million, for alleged non-compliance of the quality of service parameters of cellular mobile telephone service for quarter ending September, 2023 for Jammu & Kashmir Service Area. The matter is currently pending.

36. On March 12, 2024, TRAI issued a show-cause notice to our Promoter for alleged non-compliance of the quality of service parameters of cellular mobile telephone service for quarter ending December, 2023 for Karnataka Service Area. The matter is currently pending.

37. On January 28, 2022, DoT issued a show-cause notice to our Promoter for imposition of penalty of ₹4.00 million under clause 10.1(i) of the UL for alleged breach/violations of terms and conditions of ISP authorization. On March 27, 2022, our Promoter filed a detailed response to the same and requested for a personal hearing. On October 19, 2022, DoT sought further written submissions, if any, prior to the conduct of personal hearing. On November 10, 2022, our Promoter filed further written submissions. The matter is currently pending before DoT.

38. The Directorate of Enforcement ("**ED**"), Chandigarh Branch had, by way of its letters dated May 13, 2021, August 18, 2021 and December 10, 2021 sought certain historical information with respect to investment by our Promoter in its overseas entities in Netherlands, Mauritius and Singapore including details of restructuring of overseas entities in prior years and other FEMA compliances. Our Promoter had submitted the required information and addressed the follow up queries / clarification raised by ED. Although the investigation is still in progress, there is no allegation of any contravention of law and/or no adverse findings /observations against our Promoter.

39. Principal Secretary, Department of Agriculture, Animal Husbandry, Dairy Development and Fisheries, Government of Maharashtra, issued a statutory notice dated December 6, 2023 alleging that our Promoter and other operators have installed their equipment and had been operating from the premises without payment of charges. In the permission issued to our Promoter, as well as under the agreement executed, no such charges were stipulated. Our Promoter has accordingly filed a detailed response to the notice. The matter is pending with Principal Secretary, Government of Maharashtra.

40. The Commercial officer, Municipal Corporation of Delhi (Advertisement Department) initiated Notices as mentioned below under Section 3 of the Delhi Prevention of Defacement of Property Act, 2007 against our Promoter. for alleged unauthorized advertisement displays at Airtel Stores, with a direction, inter-alia, that all displays / LEDs without permission be removed within seven days of issue of the respective notice or the same are liable to be removed, without further notice. These matters are currently pending.

    a) Notice dated October 10, 2023 in respect of Airtel Store at G-57, Agarwal City Plaza, Plot No. 17, Mangalam Place, Sector-3, Rohini, Delhi–110085, wherein our Promoter by way of its reply letter dated November 15, 2023, requested to provide assessment details / demand notes specifying the appropriate amount to be paid as per Delhi Outdoor Advertising Policy, 2017 ("**OAP, 2017**").
    b) Notice dated October 16, 2023 in respect of M/s - Airtel Store F-5, Ground Floor, Near Kailash Colony Metro Station, Block A, Kailash Colony, East of Kailash, New Delhi-110065, wherein our Promoter by way of its reply letter dated November 16, 2023, requested to provide assessment details / demand notes specifying the appropriate amount to be paid as per OAP, 2017.
    c) Notice dated September 4, 2023 in respect of M/s Airtel Store, J-291, Opposite J Block DDA Market, Saket, New Delhi – 110017.
    d) Notice dated October 12, 2023 in respect of M/s Airtel Store, Shop No.5-6, Pankaj Plaza, Near I.C.I.C.I. Bank and Reliance Jewels, Sector 11, Dwarka, New Delhi, Delhi-110075, wherein our Promoter by way of its reply letter dated November 15, 2023, requested to provide assessment details / demand notes specifying the appropriate amount to be paid as per OAP, 2017.

41. Municipal Corporation of Delhi ("**MCD**"), Assessment & Collection Department, MC Primary School, Sanwal Nagar, Sadiq Nagar, New Delhi–110049, initiated Statutory Notice under the Delhi Municipal Corporation Act, 1957 ("**DMC Act 1957**") dated November 21, 2023 before MCD, against Promoter, Plot No. 234, Modi Mill Compound, Okhla Industrial Area Phase-III, DSIDC, DDA, Siriniwaspuri, Delhi–110020. As per the scrutiny of the self-assessed online Property Tax Returns, it has been alleged that our Promoter is in non-compliance w.r.t Para No. 7 of Samridhi Scheme 2022-23 u/s 123 of DMC Act of 2003 from the year 2017 to 2023. The matter is currently pending.

42. MCD (Advertisement Department) initiated Notice under DMC Act 1957, the Delhi Prevention of Defacement of Property Act, 2007, Advertisement Policy and Advertisement Bye-Laws dated October 4, 2023 before MCD, against Airtel Stores in New Friends Colony, Green Park Market, South Extension, Daya Nand Vihar, Shahdara, Netaji Subhash Marg seeking deposit of Self Signage Fee in accordance with the Outdoor Advertisement Policy (OAP) of 2017. The matter is currently pending.

43. Municipal Corporation of Delhi (Central Licensing and Enforcement Cell) issued a notice under Sections 346A and 419 of Delhi Municipal Corporation Act, 1957 ("**DMC Act**") dated September 21, 2023 before MCD against Mr. Trilok Kumar, Ground Floor, A-17, Swarnroad, Rajanbabu Road, Adarsh Nagar, Delhi-110033. The notice is regarding the renewal of general trade/storage license. The trade license has been renewed and to be intimated to the above Departments. The matter is currently pending.

44. A show cause notice was issued by the Office of Assistant Labour Commissioner, Kalyan ("**Officer**"), asking to show cause as to why action should not be taken against our Promoter for not displaying the store name board as per Section 36(A) of the Maharashtra Shops and Establishment Act, 1948 at the Badlapur store. Our Promoter has replied to such show cause notice and has attached the photographs of the name board for the store to the Officer. The matter is currently pending.

45. The Public Works Department, Sub-Division, Radhanagari Office ("**Officer**") has issued a notice dated February 2, 2023 ("**Notice**") to our Promoter for construction of a tower at the right side of Parite Gaubi Road, R. M. No. 197, K.M. 13/300, Anaje Village, Radhanagari, Kolhapur District, Maharashtra without obtaining a no objection certificate from the Officer. By way of the Notice, our Promoter was directed to stop the construction of the tower or face legal action by the Officer. The matter is currently pending.

46. Municipal Corporation of Delhi (Advertisement Department) ("**MCD**") issued a notice under the Delhi Municipal Corporation Act 1957 ("**DMC Act**"), the Delhi Prevention of Defacement of Property Act, 2007, Advertisement Policy and Advertisement Bye-Laws dated December 7, 2023, against airtel stores in Plot No. 2387, Khasra No. 357, Narela, Alipur Road, Narela, Delhi – 110040 seeking deposit of self signage fee in accordance with the Outdoor Advertisement Policy (OAP) of 2017. The matter is currently pending.

47. MCD issued a notice under the DMC Act, the Delhi Prevention of Defacement of Property Act, 2007, Advertisement Policy and Advertisement Bye-Laws dated October 4, 2023, against airtel stores in AG, 44 Ground Floor, Block AG, Poorbi Shalimar Bag, Shalimar Bagh, New Delhi seeking deposit of self signage fee in accordance with the Outdoor Advertisement Policy (OAP) of 2017. The matter is currently pending.

48. Municipal Corporation Faridabad ("**MCF**") issued a notice under the municipal advertisement bye Laws 2022 before the MCF, dated January 3, 2024 against airtel stores in Nehru Ground, BK Chowk to Hardware Road Faridabad seeking deposit of self signage fee in accordance with the Outdoor Advertisement Policy (OAP) of 2017. The matter is currently pending.

49. Our Promoter has received notices from following authorities demanding 1% cess under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**BOCW Act**"). However, our Promoter responded that the BOCW Act is not applicable to our Promoter and thus the below mentioned orders need to be withdrawn. These matters are currently pending.

    a. Order dated October 19, 2023 issued by the additional labour commissioner of Bokaro, Jharkhand;
    b. Order dated September 14, 2023 issued by the additional labour commissioner of Chaibasa, Jharkhand;
    c. Order dated October 12, 2023 issued by the additional labour commissioner of Chatra, Jharkhand;
    d. Order dated October 11, 2023 issued by the additional labour commissioner of Dhanbad, Jharkhand;
    e. Order dated May 30, 2023 issued by the additional labour commissioner of Doranda, Ranchi, Jharkhand;
    f. Order dated October 10, 2023 issued by the additional labour commissioner of Garhwa, Jharkhand;
    g. Order dated October 17, 2023 issued by the additional labour commissioner of Giridih, Jharkhand;
    h. Order dated October 3, 2023 by additional the labour commissioner of Godda, Jharkhand; Order dated October 3, 2023 issued by the additional labour commissioner of Hazaribagh, Jharkhand.
    i. Order dated October 25, 2023 issued by the additional labour commissioner of Jamshedpur, Jharkhand.

j. Order dated August 23, 2023 issued by the additional labour commissioner of Khunti, Jharkhand.
k. Order dated October 17, 2023 issued by the additional labour commissioner of Pakur, Jharkhand
l. Order dated October 12, 2023 issued by the additional labour commissioner of Palamu, Jharkhand.
m. Order dated October 12, 2023 issued by the additional labour commissioner of Ramgarh, Jharkhand.
n. Order dated October 19, 2023 issued by the additional labour commissioner of Sahibganj, Jharkhand.
o. Order dated September 13, 2023 issued by the additional labour commissioner of Saraikela, Jharkhand.

Disciplinary action taken against our Promoter in the five Financial Years preceding the date of this Red Herring Prospectus by SEBI or any stock exchange

1. Our Promoter received notice from NSE by way of its letters dated September 27, 2022 and September 29, 2022, levying a fine amounting to ₹ 0.02 million with respect to Regulation 57(1) of SEBI LODR Regulations, 2015, in relation to an inadvertent delay in intimation to the Stock Exchanges regarding redemption of commercial papers issued by our Promoter. On the representation of our Promoter, NSE by way of its letter dated June 8, 2023 has waived the fine levied on our Promoter.

Other pending material litigation involving our Promoter

1. The port charges payable by private operators, including by our Promoter, to BSNL, were modified by Telecommunication Interconnect (Port Charges) Amendment Regulations, 2007 ("**Port Charges Regulations**"). The Port Charges Regulations were challenged by BSNL before the TDSAT. The TDSAT by way of its order dated May 28, 2010 set aside the Port Charges Regulations and directed the TRAI to look into port charges as afresh. Thereafter, the TRAI filed an appeal before the Supreme Court, which passed an interim order dated December 15, 2010, wherein it held that in respect of each additional port, the private operators have to provide a bank guarantee on the difference between the rate applicable between the 2001 and 2007 per port. The matter is pending adjudication before the Supreme Court.

   The TRAI issued Telecommunication Interconnection (Port Charges) (Second Amendment) Regulations, 2012 to be effective from October 1, 2012. The said regulations were challenged before the Delhi High Court by way of a writ petition. The Delhi High Court passed an interim order dated February 28, 2014 directing that BSNL shall raise bills as per the Telecommunications Interconnection (Port Charges) (Second Amendment) Regulation, 2012. For the existing ports, our Promoter, our Company and Telenor (India) Communications Private Limited ("**Telenor**") gave an undertaking that in case the Delhi High Court decides in favour of BSNL, our Promoter, our Company and Telenor shall pay the differential amount to BSNL along with the stipulated interest of 9% per annum. The matter is currently pending adjudication before Delhi High Court.

2. The Telecom Service Providers were required to pay distance-based carriage charges to BSNL for mobile to fixed calls. TRAI had, pursuant to the Telecommunication Interconnection Usage Charges Regulation 2003, ("**IUC-2003 Regulations**") prescribed a uniform carriage charge of ₹ 0.20 per minute in case of intra-circle calls, irrespective of the distance from the local exchange. However, BSNL continued to levy distance-based carriage charges at higher slab rates. TRAI had, in certain communications to BSNL, reconfirmed that the flat charge of ₹ 0.20 per minute would continue to be applicable regardless of certain amendments to the IUC-2003 Regulations, In an appeal filed by BSNL before the TDSAT, the TDSAT, by way of its judgment and order dated May 21, 2010 allowed BSNL's appeal and held that BSNL is entitled to recover distance-based carriage charges even in respect of intra-circle calls. The Cellular Operators Association of India, an industry association of telecommunications service providers, of which our Promoter is also a member has filed an appeal against the TDSAT Judgment before the Supreme Court. The matter is pending adjudication before Supreme Court.

3. Anand Arya ("**Complainant**"), a subscriber of mobile services offered by our Promoter, filed a consumer complaint before the National Consumer Complaints Redressal Commission, New Delhi ("**Commission**") on October 23, 2015, against our Promoter, alleging that the quality of services offered by our Promoter had been deteriorating since 2010 and more particularly from March, 2015 and owing to that the Complainant claimed that he had suffered extreme mental trauma and torture. The Complainant sought damages amounting to ₹ 448.20 million and demanded that our Promoter pay penalty at the rate of one thousand times the amount of mobile bills paid in 2015 by the Complainant which amounts to ₹ 11.73 million. Further, the Complainant also prayed that our Promoter be directed

to deposit an amount to the tune of ₹ 44,373.78 million in the Prime Minister's relief fund. The Commission through its order dated November 24, 2015 issued show cause notice to our Promoter. Our Promoter filed a reply before the Commission on September 26, 2016. The matter is currently pending.

C. Litigation involving our Directors

Outstanding criminal litigation involving our Directors

Nil

Actions by statutory or regulatory authorities against our Directors

Nil

Other pending material litigation involving our Directors

Nil

D. Tax proceedings against our Company, Promoter and Directors

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, Promoter and Directors.

Nature of case	Number of cases	Aggregate amount involved* (in ₹ million)
Our Company		
Direct tax	17^	4,719.81
Indirect tax	33	3,551.63
Our Promoter		
Direct tax	61	22,413.00
Indirect tax	435	72,429.00
Directors		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil

**To the extent quantifiable excluding interest payable. Further, we have considered the amount in respect of such cases only where there may arise the actual tax liability basis the latest assessment order.*

^ Six matters under Direct Tax Vivad se Vishwas Scheme for assessment years 2005, 2007 to 2010 have been settled with the Income Tax authorities. A formal withdrawal of these matters from the courts by the tax authorities is awaited. The amount involved in these cases have been considered as nil.

Material Taxation Proceedings against our Company

1. Our Company received an assessment order dated December 30, 2010 ("**Order 1**") for the assessment year 2008-2009 under Section 143(3) of the Income Tax Act by the Assistant Commissioner of Income Tax, Circle 2(1), New Delhi, with respect to free air time given to dealers and roaming charges paid to other telecom operators on the basis of failure to deduct tax under Section 194H and 194J. Our Company, aggrieved by the Order 1, approached the Commissioner of Income Tax (Appeals) ("**CIT(A)**") and the CIT(A) by way of an order dated March 28, 2012 ("**Order 2**") dismissed the appeal made by the Company. Our Company, aggrieved by the Order 2, approached the Income Tax Appellate Tribunal ("**ITAT**") and the ITAT by way of an order dated April 21, 2016 ("**Order 3**"), allowed the appeal made by the Company. The Principal Commissioner of Income Tax-2, Delhi, ("**PR CIT**") aggrieved by the Order 3, filed an appeal dated August 6, 2016 ("**Appeal**") before the High Court of Delhi at New Delhi ("**High Court**") against our Company. While the Appeal is still pending before the High Court, the matter has been settled pursuant to an order dated February 3, 2022 by the PR CIT under the Direct Tax Vivad Se Vishwas Act, 2020. The disputed amount in the matter is approximately ₹ 505.79 million. The Appeal is currently pending.

2. Our Company received an assessment order dated November 21, 2011 ("**Order 1**") for the assessment year 2006-2007 under Section 143(3) of the Income Tax Act by the Assistant Commissioner of Income Tax, Circle 2(1), New Delhi, with respect to free air time given to dealers and roaming charges paid to other telecom operators on the basis of failure to deduct tax under Section 194H and 194J. Our Company, aggrieved by the Order 1, approached the Commissioner of Income Tax (Appeals) ("**CIT(A)**") and the CIT(A) by way of an

order dated February 13, 2013 ("**Order 2**"), dismissed the appeal filed by our Company. Our Company, aggrieved by Order 2, filed an appeal before Income Tax Appellate Tribunal ("**ITAT**") and the ITAT by way of an order dated April 21, 2016 ("**Order 3**") allowed the appeal filed by our Company. The Principal Commissioner of Income Tax-2, Delhi, ("**PR CIT**") aggrieved by the Order 3, filed an appeal dated October 1, 2016 ("**Appeal**") before the High Court of Delhi at New Delhi ("**High Court**") against our Company. While the Appeal is still pending before the High Court, the matter has been settled pursuant to an order dated February 3, 2022 by the PR CIT under the Direct Tax Vivad Se Vishwas Act, 2020. The disputed amount in the matter is approximately ₹ 505.79 million. The Appeal is currently pending.

3. Our Company received an assessment order dated December 30, 2019 ("**AO Order**") from the Income Tax Department, Circle 4(2), Delhi for the assessment year 2016-2017, with respect to disallowances of variable licence fee under section 35ABB of the Income Tax Act, discount given to distributors on pre-paid product and payment of subscriber verification penalty for breach of contract. Our Company filed an appeal dated January 1, 2020 ("**Appeal**") against the AO Order before the Income Tax Department, National Faceless Appeal Centre, Delhi ("**NFAC**") and the NFAC partly allowed the Appeal by way of an order dated February 16, 2023 ("**NFAC Order**"). The Deputy Commissioner of Income Tax filed an appeal dated April 17, 2023 against the NFAC Order before the ITAT. The disputed amount in the matter is approximately ₹ 1,791.70 million. The matter is currently pending.

4. Our Company received an assessment order dated April 22, 2021 ("**AO Order**") from the Income Tax Department, National e-Assessment Centre, Delhi for the assessment year 2017-2018, with respect to disallowances of variable licence fee under section 35ABB of the Income Tax Act, discount given to distributors on pre-paid product and payment of subscriber verification penalty for breach of contract. Our Company filed an appeal dated May 25, 2021 ("**Appeal**") against the AO Order before the Income Tax Department, National Faceless Appeal Centre, Delhi ("**NFAC**") and the NFAC partly allowed the Appeal by way of an order dated February 16, 2023 ("**NFAC Order**"). The Deputy Commissioner of Income Tax filed an appeal dated April 17, 2023 against the NFAC Order before the ITAT. The disputed amount in the matter is approximately ₹ 1,992.88 million. The matter is currently pending.

5. Our Company received an assessment order dated June 17, 2021 ("**AO Order**") from the Income Tax Department, National Faceless Assessment Centre, Delhi for the assessment year 2018-2019, with respect to disallowances of variable licence fee under section 35ABB of the Income Tax Act, discount given to distributors on pre-paid product and payment of subscriber verification penalty for breach of contract. Our Company filed an appeal dated September 14, 2021 ("**Appeal**") against the AO Order before the Income Tax Department, National Faceless Appeal Centre, Delhi ("**NFAC**") and the NFAC partly allowed the Appeal by way of an order dated February 16, 2023 ("**NFAC Order**"). The Deputy Commissioner of Income Tax filed an appeal dated April 17, 2023 against the NFAC Order before the ITAT. The disputed amount in the matter is approximately ₹ 861.96 million. The matter is currently pending.

6. Our Company has received show cause notices between the year 2006 and 2012 ("**Show Cause Notices**") from the Commissioner of Central Excise and Customs, Central Goods and Service Tax ("**Officer**") for recovery of CENVAT credit on tower structure availed by our Company, which was alleged to be irregular. For five of the above Show Cause Notices, the Officer passed an order dated February 13, 2017 ("**Order 1**") demanding the Company to pay the recovery amounts under the Show Cause Notices. Our Company has filed an appeal dated May 15, 2017 before the Customs, Excise and Service Tax Appellate Tribunal, Delhi ("**CESTAT**"), wherein the CESTAT by way of an order dated May 25, 2021 ("**Order 2**") set aside Order 1. The Officer, aggrieved by Order 2, has filed an appeal dated October 1, 2021 before the High Court of Judicature at Rajasthan ("**High Court**") and the same has been admitted by the High Court. The disputed amount in the matter is approximately ₹ 711.68 million. The matter is currently pending.

7. Notices were served by the VAT department, Rajasthan to our Company for assessment years 2006-07 to 2009-10. The notices were issued based on the figures supplied through the information tax assessment notice issued for the year 2008-09 and 2009-10 (up to June 30, 2009) by our Company and by rejecting the reply submitted by our Company. The Assessing Officer by way of an order dated April 22, 2010 ("**AO Order**") held that our Company is engaged in the transfer of data from one place to another to its different customers by Artificially Creating Light Energy ("**ACLE**") through electricity in the carrier optical fiber cable network ("**OFC**") and there is a direct relationship between quantity of data transferred and quantum of light energy used based on which customers are paying consideration. This transfer of data through ACLE is squarely covered under the definition of transfer of property in goods *i.e.*, sale of light energy and therefore all conditions of goods and sale are satisfied in the transactions and they attract the levy of VAT in the State of

Rajasthan.

Being aggrieved by the AO Order, our Company preferred an appeal before the Deputy Commissioner (Appeals)-II, Jaipur, who was pleased to allow the appeal preferred by the respondent herein and set aside the tax, interest and penalty holding therein that ACLE is not "goods" and hence is not taxable. Being aggrieved, the Commercial Tax Officer, Circle-A, Jaipur preferred an appeal before the Rajasthan Tax Board, which was dismissed by way of an order dated August 27, 2021 ("**RTB Order**"). The RTB Order was dismissed by the High Court of Rajasthan ("**High Court**") by way of an order dated January 25, 2023 ("**HC Order**"). Aggrieved by the HC Order, the Commercial Taxes Officer has approached the Supreme Court. The disputed amount in the matter is approximately ₹ 210.38 million. The matter is currently pending.

8. The Department of Revenue Intelligence, Bangalore issued four show cause notices ("**Show Cause Notices**") alleging undervaluation of the telecom equipment's imported by our Company. Our Company filed separate replies to each of the Show Cause Notices before the Commissioner of Customs, Bangalore ("**Commissioner**") and the Commissioner by way of an order dated April 15, 2008 ("**Order 1**") imposed differential duty on our Company, ordered confiscations of the goods and imposed a penalty under Section 114A and 112(a) of the Customs Act, 1962. Aggrieved by the Order 1, our Company filed an appeal dated July 31, 2008 ("**Appeal**") before the Customs, Excise and Service Tax Appellate Tribunal, Bangalore ("**CESTAT**") and the CESTAT by way of an order dated June 7, 2012 ("**Order 2**") dismissed the Appeal. Thereafter, our Company filed an appeal dated August 7, 2012 against the Commissioner before the Supreme Court challenging the Order 2. The disputed amount in the matter is approximately ₹ 182.19 million. The matter is currently pending.

9. The Directorate General of Goods and Service Tax Intelligence, Jaipur has issued a show cause notice dated October 21, 2021 ("**Show Cause Notice**") to our Company on the basis of an investigation alleging service tax on AGR has not been paid in contravention of the provisions of Section 65B, 66B, 67, 68 and 70 of the Finance Act, 1994. Our Company has paid ₹ 13.10 million as a pre deposit on February 1, 2022 while challenging the Show Cause Notice. The disputed amount in the matter is approximately ₹ 117.23 million. The matter is currently pending before the Central Goods and Services Tax Department.

10. Our Company received a show cause notice dated January 30, 2024 for the financial year 2018-19 ("**Show Cause Notice**") from the Office of the Principal Commissioner, Central Goods and Services Tax Commissionerate, Jaipur ("**Officer**"), wherein the Officer has alleged that our Company has availed an excess input tax credit ("**ITC**") amounting to approximately ₹ 165.06 million and is liable for penalty under Sections 35 and 125 of the Central Goods and Services Act, 2017 read with Rule 56 of the Central Goods and Services Rules, 2017. The matter is currently pending.

11. Our Company received a show cause notice dated January 31, 2024 for the financial year 2018-19 ("**Show Cause Notice**") from the Office of the Commissioner, GST and Central Excise Commissionerate, Guwahati ("**Officer**"), wherein the Officer has alleged that our Company has availed ineligible excess ITC and short payment of tax amounting to approximately ₹ 331.91 million. The matter is currently pending.

12. Our Company received a show cause notice dated January 31, 2024 for the financial year 2019-20 ("**Show Cause Notice**") from the GST Division-H, Jaipur Commissionerate ("**Officer**"), under Rule 100(2) and 142(1)(a) of the Central Goods and Services Rules, 2017 for an amount aggregating to approximately ₹ 1,512.69 million. However, the numbers within the Show Cause Notice do not reconcile. The matter is currently pending.

Material Taxation Proceedings against our Promoter

1. The Commissioner of Income Tax, by an order dated March 30, 2014 passed under section 263 of the Income Tax Act, reopened the assessment of Promoter, on the ground that during original assessment the AO had failed to examine the consequences arising on account of transfer of the passive infrastructure by Promoter to its wholly owned subsidiary Bharti Infratel Limited ("**BIL**"). The said transfer was at Nil through Court approved scheme, whereby the amount of ₹ 24,790 million being differential amount of written down value of the assets at ₹ 57,390 million in our Promoter's books and fair value of investment in BIL at ₹ 82,180 million was treated as income. On further appeal, the ITAT allowed the appeal of our Promoter and set aside the order of the Commissioner of Income Tax. The department has filed an appeal before the Delhi High Court against the order of the ITAT dated May 6, 2015 which is currently pending.

During the pendency of matter before ITAT, the AO passed an order pursuant to direction under section 263 (the second order) on March 31, 2015, raising a demand of ₹ 6,422.54 million. On further appeals to Commissioner Appeal and ITAT agreed with view of Promoter. The department's appeal against the order of ITAT (in respect of the second order) before Delhi High Court has been clubbed with the pending appeal of the department against ITAT's judgment dated May 6, 2015. The matter is currently pending.

2. Our Promoter has challenged the Order-In-Original ("**OIO**") dated March 31, 2023 issued by Adjudicating Authority, before the Commissioner (Appeals) through an appeal filed on July 10, 2023, pertaining to alleged demand of ₹ 6046.6 million (includes penalty) towards GST under reverse charge mechanism on License Fee and Spectrum Usage Charges basis the demand note issued by Department of Telecommunication. The matter is currently pending.

3. The GST Department, Delhi have issued a show cause notice *inter alia* on the issue of mismatch of GSTR-3B vs. 2A in respect of input tax credit availed by our Promoter, which are due to limitation/technical glitches of GSTN portal. It has been alleged that due to the above mismatch, our Company is liable to pay GST of approximately ₹ 6,641.42 million. Our Promoter has filed the submission on the technical position that GST is not payable as the mismatch is on account of bills of entries not reflected due to limitation of the GSTN portal. The matter is under adjudication with the tax authorities. The matter is currently pending.

4. The GST Department, Hyderabad have issued a show cause notice on the issue of excess availing of input tax credit and undischarged tax liability. It has been alleged that due to the above, our Promoter is liable to pay GST of approximately ₹ 12,062.76 million. The matter is currently pending.

E. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company, shall be considered to be material ("**Material Creditors**") for the purpose of disclosure in this Red Herring Prospectus, if amounts due to such creditor by our Company is equal to, or in excess of, 5% of the total trade payables on a consolidated basis (as applicable), of our Company as at the end of the latest financial period included in the Restated Financial Information. Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹ 817.39 million as on December 31, 2023. As on December 31, 2023, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

S. No.	Type of creditor	No. of cases	Amount outstanding (₹ in million)
1.	Dues to micro, small and medium enterprises	51	56.49
2.	Dues to Material Creditor	Nil	Nil
3.	Dues to other creditors	360	992.79
	Total*	**411**	**1,049.28**

** This does not include provision for expenses amounting to ₹ 15,298.54 million.*

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at https://www.bhartihexacom.in/ipo.html. It is clarified that such details available on our Company's website do not form a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website would be doing so at their own risk.

F. Litigation involving the Group Companies

As on date of this Red Herring Prospectus, our Group Companies are not party to any pending litigation which will have a material impact on our Company.

G. Material Developments

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 340, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months from the date of filing of this Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

Our Company requires various approvals, licenses, registrations, and permits issued by relevant governmental and regulatory authorities under various rules and regulations to carry out our present business activities and to undertake the Offer. Set out below is an indicative list of all material approvals, licenses, registrations, and permits obtained by our Company, which are material and necessary for undertaking our business, and except as mentioned below, no further material approvals are required to carry on our present business activities. Certain of our key approvals, licenses, registrations, and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures, as necessary. For further details, in connection with the applicable regulatory and legal framework within which we operate, see "Risk Factors" and "Key Regulations and Policies" on pages 35 and 207, respectively.

I. Material approvals in relation to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 414.

II. Material approvals in relation to our Company

We require various approvals to carry on our business in India. We have received the following material government and other approvals pertaining to our business.

A. *Material approvals in relation to incorporation*

1. Certificate of incorporation dated April 20, 1995, issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi to our Company, in its former name, being 'Hexacom India Limited'.

2. Fresh certificate of incorporation dated December 2, 2004, issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi to our Company, consequent upon change of name of our Company from 'Hexacom India Limited' to 'Bharti Hexacom Limited'.

3. Certificate for commencement of business dated April 26, 1995, issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi.

4. Our Company has been allotted the corporate identity number U74899DL1995PLC067527.

B. *Material approvals in relation to our business and operations*

The material approvals in relation to the business and operations of our Company are set forth below:

1. Unified license issued by DoT under Section 4 of the erstwhile Indian Telegraph Act, 1885.

2. Frequency assignment letters for the spectrum acquired in various auctions, issued by DoT.

3. Frequency assignment letters for the assignment of microwave access, microwave backbone frequency carriers and E-band carriers. issued by DoT.

4. Approvals under the National Security Directive on the Telecommunication Sector for selected categories of equipment as notified by the Department of Telecommunications, Ministry of Communications, Government of India.

5. Siting clearances for our sites in the Rajasthan and North East circles, from the Standing Advisory Committee on Radio Frequency Allocation.

C. *Labour related approvals*

1. Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, issued by the Employees' Provident Fund Organization.

2. Registration under the Employees' State Insurance Act, 1948, issued by the Regional Office, Employees State Insurance Corporation of different states.

3. Registration of establishment employing contract labour issued by the office of the registering officer, under the Contract Labour (Regulation and Abolition) Act, 1970.

4. Our Company has obtained state level professional tax registrations under shops and establishments legislations, certificate of registrations under shops and establishments legislations and trade licenses under applicable state legislations, for our Company. The term of such registrations and renewal requirements may differ under various state legislations.

D. *Foreign trade approvals*

1. Our Company has obtained Importer-Exporter Code ("**IEC**") certificate bearing code number 0596025475 issued by the Directorate General of Foreign Trade, Ministry of Commerce and Industry.

E. *Tax related approvals*

1. The permanent account number of our Company is AAACH1766P.

2. The tax deduction account numbers of our Company in Meghalaya and Rajasthan are SHLB00750B and JPRH00222F, respectively.

3. Our Company has been issued GST registration numbers by the Government of India in various states of our operations, as applicable.

III. Material approvals applied for but not received

S. No.	Description	Authority	Date of application
1.	Trade license for Imphal office	Imphal Municipal Corporation	March 16, 2023
2.	Trade license for Shillong retail store	Shillong Municipal Corporation	March 16, 2023

IV. Material approvals expired and renewal to be applied for

S. No.	Description	Location of office/ retail store
1.	Shops and Establishment certificate	Shillong retail store

V. Material approvals required but not obtained or applied for

Nil

VI. Intellectual Property

Our Promoter has 432 trademarks, out of which 404 are registered and 28 are pending registration at various stages. Pursuant to the Trademark License Agreement dated January 16, 2024, our Promoter has licensed the usage of the above-mentioned registered trademarks to our Company. Our Company does not own any trademarks. Further, we do not own the "*Bharti*" trademark, which is registered under various classes of the Trademark Act, 1999, in favour of Bharti Enterprises (Holding) Private Limited, and has issued a no-objection certificate to our Company for usage of the "*Bharti*" brand, trademark and logo for usage in our business and operations (including in the past and in the future) and for the purposes of the Offer. Further, pursuant to the License Agreement entered into with Airtel Digital Limited ("**ADL**"), one of our Group Companies, dated July 1, 2020, ADL granted an irrevocable, perpetual, worldwide, non-transferable license to use the website and domain name for 'Airtel.in', the mobile platform applications known as 'My Airtel' or 'Airtel Thanks', 'Mitra' and 'Workforce management' or 'Airtel Konnect' or 'Airtel Works' (collectively, the "**Applications**") to our Company in consideration for a fee, as set out under the License Agreement. For details, see "*History and Certain Corporate Matters – Other Agreements*" and *"Risk Factors – 9. Any change in our relationship with our*

Promoter, Airtel and its affiliates, may adversely affect our reputation, business, operations, financial condition and results of operations." on pages 220 and 40.

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations, the term 'group companies', includes (i) such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and also (ii) other companies considered material by the board of directors of the issuer.

Accordingly, for (i) above, all such companies (other than our Promoter) with which there were related party transactions in accordance with Indian Accounting Standard (Ind AS) 24, during the periods covered in the Restated Financial Information, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Further, pursuant to the resolution dated January 17, 2024 passed by our Board, for (ii) above, a company shall be considered "material" and will be disclosed as a "group company" if such company forms part of the Promoter Group and with which there were transactions in the most recent financial year, which individually or in the aggregate, exceed 10% of the net worth of our Company, as per the Restated Financial Information for that period.

Accordingly, on the basis of the above, the following companies have been identified as our Group Companies ("**Group Companies**"):

1. Airtel (Seychelles) Limited
2. Airtel Congo RDC S.A.
3. Airtel Congo S.A.
4. Airtel Gabon S.A.
5. Airtel Madagascar S.A.
6. Airtel Malawi Public Limited Company
7. Airtel Networks Kenya Limited
8. Airtel Networks Zambia Plc
9. Airtel Payments Bank Limited
10. Airtel Rwanda Limited
11. Airtel Tanzania Public Limited Company
12. Airtel Tchad S.A.
13. Airtel Uganda Limited
14. Beetel Teletech Limited
15. Bharti Airtel Lanka (Private) Limited
16. Bharti Airtel Nigeria B.V.
17. Bharti Airtel Services Limited
18. Bharti Airtel Uganda Holdings B.V.
19. Bharti Axa Life Insurance Company Limited.
20. Bharti Telemedia Limited
21. Celtel Niger S.A.
22. Centum Learning Limited
23. FireFly Networks Limited
24. HCIL Comtel Private Limited
25. Hughes Communication India Private Limited
26. Indus Towers Limited (Formerly known as Bharti Infratel Limited)
27. Jersey Airtel Limited
28. Nxtra Data Limited
29. Robi Axiata Limited
30. Smartx Services Limited
31. Singtel Mobile Singapore Pte. Limited
32. Telecommunications Consultants India Limited
33. Telesonic Networks Limited*
34. Xtelify Limited (*formerly known as Airtel Digital Limited*)

** Consequent to the amalgamation of Telesonic Networks Limited with Airtel with appointed date of April 1, 2022, related party transactions of Telesonic Networks Limited for the year ended March 31, 2023 have been included with Airtel as on date of filing of the RHP and Telesonic Networks Limited does not exist as on the date of filing of the RHP.*

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, in relation to our top five Group Companies, are available at the websites indicated below.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information/ details of the Group Companies provided on the websites do not constitute a part of this Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk.

None of our Company, the Selling Shareholder, the BRLMs or any of their respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below:

A. Details of our top 5 Group Companies Basis the Market Capitalization

1. Airtel Malawi Public Limited Company

Corporate information

Airtel Malawi Public Limited Company was incorporated as a private company under the laws of Malawi on September 3, 1998 and re-registered as a public limited company on November 18, 2019. Its company number is COYR-8LJ13J3. Airtel Malawi Public Limited Company is engaged in the business of providing mobile telecommunication services and related support.

Registered office address

The registered office of Airtel Malawi Public Limited Company is situated at Airtel Complex, Off Convention Drive, City Centre, P.O. Box 57, Lilongwe, Malawi.

Financial Performance

The financial information derived from the audited financial statements for the Financial Years ended December 31, 2022, December 31, 2021 and December 31, 2020 are available at ttps://www.bhartihexacom.in/ipo.html.

(MWK in million except per share data)

	Financial year ended December 31, 2022	Financial year ended December 31, 2021	Financial year ended December 31, 2020
Reserves (Excluding Revaluation Reserve)	37,802	33,327	24,092
Sales	153,464	131,769	110,233
Profit/(Loss) after Tax	36,925	32,335	22,093
Earnings per Share (Basic) (Face Value of *MWK 0. 0001*)	3.36	2.94	2.01
Earnings per Share (Diluted) (Face Value of *MWK 0. 0001*)	3.36	2.94	2.01
Net Asset Value	37,803	33,328	24,093

On standalone basis. Further, the group closes its financial statements as at December 31 each year.

2. Airtel Uganda Limited

Corporate Information

Airtel Uganda Limited was incorporated as a private company under the laws of Uganda on July 17, 1992 and registered as a public limited company on June 23, 2023 with registration number 80010000251875. Airtel Uganda Limited is engaged in the business of providing mobile telecommunication services and related support.

Registered office address

The registered office of Airtel Uganda Limited is situated at Airtel Towers, 16A Clement Hill Road, Kampala, Uganda.

Financial Performance

The financial information derived from the audited financial statements for the Financial Years ended December 31, 2023, December 31, 2022 and December 31, 2021 are available at ttps://www.bhartihexacom.in/ipo.html.

(UGX in million except per share data)

	Financial year ended December 31, 2023	**Financial year ended December 31, 2022**	**Financial year ended December 31, 2021**
Reserves (Excluding Revaluation Reserve)	86,740	122,452	155,386
Sales	1,777,307	1,594,271	1,649,040
Profit/(Loss) after Tax	296,950	325,703	459,575
Earnings per Share (Basic) (Face Value of *UGX 1*)	7.4	8.1	11.5*
Earnings per Share (Diluted) (Face Value of *UGX 1*)	7.4	8.1	11.5*
Net Asset Value	126,740	123,860	156,794

On standalone basis. As informed to us, Airtel Uganda Limited is not required to prepare its consolidated financial statements. Further, this entity closes its financial statements as at December 31 each year.

** As calculated by management of the company based on the available audited financial statement of the group company of the respective years.*

3. Airtel Networks Zambia Plc

Corporate Information

Airtel Networks Zambia Plc was incorporated as a private company under the laws of Zambia on April 24, 1997 and was re-registered as a public limited company on November 1, 2006. Its registration number is 38136. Airtel Networks Zambia Plc is engaged in the business of providing mobile telecommunications services and related support.

Registered office address

The registered office of Airtel Networks Zambia Plc is situated at Airtel House, Stand 2375, Addis Ababa Drive, Lusaka, Zambia.

Financial Performance

The financial information derived from the audited financial statements for the Financial Years ended December 31, 2023, December 31, 2022 and December 31, 2021 are available at ttps://www.bhartihexacom.in/ipo.html.

(Kwacha (K) in million except per share data)

	Financial Year ended December 31, 2023	**Financial Year ended December 31, 2022**	**Financial Year ended December 31, 2021**
Reserves (Excluding Revaluation Reserve)	439	672	312

	Financial Year ended December 31, 2023	Financial Year ended December 31, 2022	Financial Year ended December 31, 2021
Sales	5,640	4,450	3,580
Profit/(Loss) after Tax	1,139	921	693
Earnings per Share (Basic) (Face Value of *K 0. 01*)	10.95	8.86	6.67
Earnings per Share (Diluted) (Face Value of *K 0. 01*)	10.95	8.86	6.67
Net Asset Value	440	673	313

On standalone basis. Further, the group closes its financial statements as at December 31 each year.

4. Indus Towers Limited (*Formerly known as Bharti Infratel Limited*)

Corporate Information

Indus Towers Limited was incorporated on November 30, 2006, and is currently engaged in the business of providing tower and related infrastructure sharing services. The corporate identification number of Indus Towers Limited is L64201HR2006PLC073821.

Registered office address

The registered office of Indus Towers Limited is situated at Building no. 10, Tower A, 4th Floor, DLF Cyber City, Gurgaon, Gurugram, Haryana, India, 122002.

Financial Performance

The financial information derived from the audited financial statements for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available at https://www.industowers.com/:.

(₹ in million except per share data)

	Financial Year 2023	Financial Year 2022	Financial Year 2021
Reserves (Excluding Revaluation Reserve)	184,146	194,556	131,821
Sales	283,818	277,172	139,543
Profit/(Loss) after Tax	20,400	63,731	37,790
Earnings per Share (Basic) (Face Value of *₹ 10*)	7.57	23.65	17.52
Earnings per Share (Diluted) (Face Value of *₹ 10*)	7.57	23.65	17.52
Net Asset Value	211,095	221,505	158,770

On Consolidated basis.

5. Robi Axiata Limited

Corporate Information

Robi Axiata Limited was incorporated on October 22, 1995 and is currently engaged in the business of telecommunication. The corporate identification number/ registration number is C-29552/1995.

Registered office address

The registered office of Robi Axiata Limited is situated at The Forum, 187, 188/B Bir Uttam Mir Shawkat Sarak, Tejgaon, Dhaka – 1208.

Financial Performance

The financial information derived from the audited financial statements for the Financial Years ended December 31, 2022, December 31, 2021 and December 31, 2020 are available at https://www.robi.com.bd/.

(BDT in million except per share data)

	Financial Year ended December 31, 2022	**Financial Year ended December 31, 2021**	**Financial Year ended December 31, 2020**
Reserves (Excluding Revaluation Reserve)	14,747	13,828	13,577
Sales	85,860	81,425	75,643
Profit/(Loss) after Tax	1,827	1,803	1,553
Earnings per Share (Basic) (Face Value of *BDT 10*)	0.35	0.34	0.33
Earnings per Share (Diluted) (Face Value of *BDT 10*)	0.35	0.34	0.33
Net Asset Value	67,127	66,208	65,956

On consolidated basis. Further, the group closes its financial statements as at December 31 each year.

B. Other Group Companies

1. Airtel (Seychelles) Limited

The registered office is situated at Airtel House, Josephine Cafrine Road, Perseverance, P.O. Box 1358, Victoria, Mahe, Seychelles.

2. Airtel Congo RDC S.A

The registered office is situated at 3eme etage, 130 b, Avenue Kwango, Gombe, B.P. 1201, Kinshasa 1, Republique Democratique du Congo.

3. Airtel Congo S.A

The registered office is situated at 2eme Etage de L'Immeuble SCI Monte Cristo, Rond-Point de la Gare, Croisement de l'Avenue Orsy et de Boulevard Denis Sassou Nguesso, Centre-Ville, D.B. 1038, Brazzaville, Congo.

4. Airtel Gabon S.A

The registered office is situated at Immeuble Libreville, Business Square, Rue Pecquer, Centre-Ville, B.P. 9259, Libreville, Gabon.

5. Airtel Madagascar S.A.

The registered office is situated at Immeuble S, lot II J 1 AA, Morarano Alarobia – 101 Antananarivo – Madagascar.

6. Airtel Networks Kenya Limited

The registered office is situated at LR 209/11880, 7th Floor, Parkside Towers, Mombasa Road, P.O. Box 73146-00200, Nairobi, Kenya.

7. Airtel Payments Bank Limited

The registered office is situated at Bharti Crescent, 1, Nelson Mandela Road Vasant Kunj, Phase -II, New Delhi 110 070 Delhi, India.

8. Airtel Rwanda Limited

The registered office is situated at Airtel Building, Remera, KG 17 Ave, Kigali, Rwanda.

9. Airtel Tanzania Public Limited Company

The registered office is situated at Airtel House, Block 41, Corner of Ali Hassan Mwinyi Road and Kawawa Road, Kinondoni District, P.O. Box 9623, Dar es Salaam, Tanzania.

10. Airtel Tchad S.A.

The registered office is situated at Rue du Commandant Galyam Negal, Immeuble du Cinema Etoile, B.P. 5665, N'Djamena, Tchad.

11. Beetel Teletech Limited

The registered office is situated at First Floor, Plot No. 16, Udyog Vihar, Phase IV, Gurgaon 122 015, Haryana, India.

12. Bharti Airtel Lanka (Private) Limited

The registered office is situated at Level 11, West Tower, World Trade Center, Echelon Square, Colombo 1, Sri Lanka.

13. Bharti Airtel Nigeria B.V.

The registered office is situated at Overschiestraat 65, 1062 XD, Amsterdam, Netherlands.

14. Bharti Airtel Services Limited

The registered office is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi 110 070 Delhi, India.

15. Bharti Airtel Uganda Holdings B.V.

The registered office is situated at Overschiestraat 65, 1062 XD Amsterdam, Netherlands.

16. Bharti Axa Life Insurance Company Limited.

The registered office is situated at Unit No. 1902, 19th Floor, Parinee Crescenzo, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India.

17. Bharti Telemedia Limited

The registered office is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi 110070, Delhi, India.

18. Celtel Niger S.A.

The registered office is situated at 2054 Route de l'Aeroport, B.P. 11 922, Niamey, Niger.

19. Centum Learning Limited

The registered office is situated at Nishuvi, Ground Floor,75, Dr. Annie Besant Road, Worli, , Mumbai 400 018, Maharashtra, India.

20. FireFly Networks Limited

The registered office is situated at A-19, Mohan Co-operative Industrial Estate Mathura Road, New Delhi 110 044 Delhi, India.

21. HCIL Comtel Private Limited

The registered office is situated at 1, Shivji Marg, Westend Greens, Nh-8, New Delhi 110 037 Delhi, India.

22. Hughes Communication India Private Limited

The registered office is situated at 1, Shivji Marg, Westend Greens, Nh-8, New Delhi 110 037 Delhi, India.

23. Jersey Airtel Limited

The registered office is situated at 1/3/5 Castle Street, St. Helier, Jersey JE2 3BT.

24. Nxtra Data Limited

The registered office is situated at Bharti Crescent, 1, Nelson Mandela Road Vasant Kunj, Phase - II, New Delhi 110 070 Delhi, India.

25. Singtel Mobile Singapore Pte. Limited

The registered office is situated at 31 Exeter Road, Comcentre, Singapore 239732

26. Smartx Services Limited

The registered office is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi 110 070 Delhi, India.

27. Telecommunications Consultants India Limited

The registered office is situated at TCIL Bhawan, Greater Kailash -I, New Delhi 110 048 Delhi, India.

28. Xtelify Limited (formerly known as Airtel Digital Limited)

The registered office is situated at Airtel Centre, Plot No. 16, Udyog Vihar, Phase-IV, Gurgaon, 122 015, Haryana, India.

C. Litigation

Other than as disclosed in "*Outstanding Litigation and Material Developments – Litigation involving the Group Companies*" on page 402, our Group Companies are not party to any litigation which may have material impact on our Company.

D. Common pursuits between our Group Companies and our Company

Some of our Group Companies *i.e.*, Smartx Services Limited, Airtel (Seychelles) Limited, Airtel Malawi Public Limited Company, Airtel Congo S.A, Airtel Congo RDC S.A., Airtel Gabon S.A., Airtel Networks Kenya Limited, Airtel Networks Zambia Plc, Airtel Madagascar S.A., Airtel Tanzania Public Limited Company, Airtel Rwanda Limited, Airtel Tchad S.A., Airtel Uganda Limited, Bharti Airtel Lanka (Private) Limited, Celtel Niger S.A., Robi Axiata Limited and Singtel Mobile Singapore Pte. Limited are involved in the same line of business as that of our Company and is enabled under its charter documents to carry on similar activities as those of our Company. Our Company and our Group Companies will adopt the necessary procedures and practices as permitted by law to address any situations of conflict as and when they arise.

E. Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in "*Related Party Transactions*" on page 339, there are no other related business transactions between our Group Companies and our Company.

F. Business Interest

Except as disclosed in "*Related Party Transactions*" on page 339, our Group Companies have no business interests in our Company.

G. Nature and extent of interest of our Group Companies

In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

H. Confirmations

Except as disclosed below, none of the debt securities of the Group Companies are listed.

Sr. No.	ISIN	Name of stock exchange	Status
Indus Towers Limited			
1.	INE121J08046	NSE	Active
2.	INE121J08038	NSE	Active
3.	INE121J08020	NSE	Active
Bharti AXA Life Insurance Company Limited			
1.	INE089J08037	NSE	Active
2.	INE089J08029	NSE	Active

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting dated January 19, 2024 and by our Shareholders on January 19, 2024. Our Board has taken on record the consent of the Selling Shareholder to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on March 15, 2024. Further, our Board has approved the Draft Red Herring Prospectus on January 19, 2024 and this Red Herring Prospectus on March 22, 2024.

The Selling Shareholder has confirmed and approved its participation in the Offer for Sale in relation to its Offered Shares, as set out below:

Name of the Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution authorising participation in the Offer for Sale	Date of shareholder resolution authorising participation in the Offer for Sale	Date of consent letter
Telecommunications Consultants India Limited	Up to [●]	Up to 75,000,000	August 29, 2023 and March 7, 2024	November 28, 2023	March 8, 2024

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated February 23, 2024.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter, Promoter Group, Directors, Selling Shareholder or persons in control of our Promoter are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Except for Jagdish Saksena Deepak, who is a director on the board of Axis Securities Limited, none of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the past five years preceding the date of this Red Herring Prospectus.

Our Company, Promoter or Directors have neither been declared as Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

The Selling Shareholder confirms that they have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Our Company or our Promoter, members of the Promoter Group or Directors are not declared as 'Fraudulent Borrowers' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016 and the SEBI ICDR Regulations.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoter, our Directors and members of Promoter Group and the Selling Shareholder, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for undertaking the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states the following:

"An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the offer to qualified institutional buyers and to refund the full subscription money if it fails to do so."

Our Company is not in compliance with the conditions specified under Regulation 6(1) of the SEBI ICDR Regulations. The computation of net tangible assets, operating profit, net worth, monetary assets, as restated, as derived from the Restated Financial Statements, as at and for the Fiscals 2023, 2022 and 2021, is set forth below:

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Net tangible assets (A) *(in ₹ million)*	(7,406)	(17,023)	(37,303)
Operating profit (B) *(in ₹ million)*	12,324	3,730	(2,328)
Net worth (C) *(in ₹ million)*	39,722	35,732	18,987
Monetary assets, as restated (D) *(in ₹ million)*	887	1,209	592
Monetary assets, as restated as a % of net tangible assets (E)=(D)/(A) (in %)	(11.98)	(7.10)	(1.59)

Notes:

1. *'Net tangible assets' means the sum of all assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 "Intangible Assets" and deferred tax assets/liabilities as defined in Ind AS 12 "Income Taxes" notified under the Companies Act, 2013 less sum of total liabilities of the company (excluding lease liabilities & Spectrum related borrowings). Spectrum related borrowings is ₹ ₹ 14,615 million, ₹ 1,081 million and ₹ 3 million the preceding three financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021 respectively, which is presented as Borrowing in the Restated Financial Statements.*
2. *Operating profit / (loss) has been calculated as appearing in the restated financial statements Restated profit/(loss) before tax and exceptional items from continuing operations + Finance costs – Other Income.*
3. *Monetary assets refers to the aggregate of cash and cash equivalents and other bank balances as per restated financial statements.*
4. *Net worth means aggregate of equity share capital and other equity excluding debenture redemption reserve, capital redemption reserve and capital reserve (which is in line with the disclosure made under Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 to stock exchange by the Company).*

We are an unlisted company not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Offer is proposed to be Allotted to QIBs and in the event that we fail to do so, the full Bid Amounts shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

The Selling Shareholder has confirmed that it has held the Offered Shares for a period of at least one year prior to the date of filing of this Red Herring Prospectus and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

The Selling Shareholder has specifically confirmed that the Offered Shares have been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Selling Shareholder confirms its compliance with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable, as on the date of this Red Herring Prospectus.

Further, in accordance with the conditions specified in Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith or the application monies shall be unblocked in the ASBA Accounts, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to undertake the Offer, in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

The details of compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

a. None of our Company, the Selling Shareholder, our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI;
b. None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI;
c. None of our Company, our Promoter or Directors is a Wilful Defaulter or a Fraudulent Borrower;
d. None of our Directors has been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018); and
e. There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, SBI CAPITAL MARKETS LIMITED, AXIS CAPITAL LIMITED, BOB CAPITAL MARKETS LIMITED, ICICI SECURITIES LIMITED AND IIFL SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 19, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoter, Directors and Book Running Lead Managers

Our Company, our Promoter, Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.bhartihexacom.in, or the website of any affiliate of our Company, would be doing so at their own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the

Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company, and the Book Running Lead Managers to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the Book Running Lead Managers and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the Book Running Lead Managers and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoter, members of the Promoter Group and their directors and officers, group companies, affiliates or associates or third parties (as applicable) in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its Directors, our Promoter, officers, agents, group companies, affiliates or associates or third parties, (as applicable) for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer from the Selling Shareholder

The Selling Shareholder accepts no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.bhartihexacom.in, or the respective websites of our Promoter, Promoter Group or any affiliate of our Company would be doing so at his or her own risk. The Selling Shareholder, their directors, affiliates, associates, and officers accept no responsibility for any statements made in this Red Herring Prospectus, other than those specifically made or confirmed by the Selling Shareholder in relation to themselves as a Selling Shareholder and the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholder and their directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Selling Shareholder and their directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important non-banking financial companies or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds (registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹ 250 million), National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India registered with the Insurance Regulatory and Development Authority of India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Neither the delivery of this Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus was filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Eligibility and Transfer Restrictions

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are "qualified institutional buyers" (as defined in Rule 144A) and referred to in this Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as QIBs) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is set forth below:

"*BSE Limited ("the Exchange") has given vide its letter dated February 23, 2024, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities* *are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

(a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
(b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
(c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever".

Disclaimer clause of NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is set forth below:

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3350 dated February 23, 2024, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. The Selling Shareholder confirms that it shall extend reasonable support and co-operation (to the extent of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

All costs, charges, fees, expenses and taxes associated with and incurred with respect to the Offer, including but not limited to offer advertising, printing, research expenses, road show expenses, accommodation and travel expenses, stamp duty, transfer, issuance, documentary, registration, costs for execution and enforcement of the

Offer Agreement, and other Offer related agreements, Registrar's fees, fees and expenses of legal counsels to our Company and the Book Running Lead Managers, fees and expenses of the auditors, fees to be paid to Sponsor Bank, SCSBs (processing fees and selling commission), brokerage and commission for Syndicate Members, commission to Registered Brokers, Collecting DPs and Collecting RTAs, and payments to consultants, and advisors, regulatory fees (excluding the listing fees), fees to intermediaries and third parties, shall be solely borne by the Selling Shareholder in accordance with applicable law. For avoidance of doubt, (i) the listing fee shall be paid and borne by our Company; and (ii) (a) the filing fees to SEBI; (b) NSE/BSE charges for use of software for the book building; (c) payments required to be made to Stock Exchanges for initial processing and (d) payments required to be made to depositories or the depository participants for transfer of shares to the beneficiaries account and other regulatory fees in relation to the Offer (excluding listing fees) shall be paid by the Book Running Lead Managers and the Book Running Lead Managers shall be reimbursed by our Company and our Company shall be reimbursed by the Selling Shareholder. Further, any payments made by our Company on behalf of the Selling Shareholder, which may include the fee and expenses of the auditors as well, shall be reimbursed by the Selling Shareholder to our Company. In the event that the Offer is postponed or withdrawn or abandoned for any reason or in the event the Offer is not successfully completed, all expenses in relation to the Offer including the fees of the Book Running Lead Managers and legal counsel and their respective reimbursement for expenses which may have accrued up to the date of such postponement, withdrawal, abandonment or failure as set out in their respective engagement letters, shall be solely borne by the Selling Shareholder. The payments of fees and expenses to the BRLMs which will be paid by our Company and reimbursed by the Selling Shareholder to our Company, shall be subject to the terms and conditions of the work order issued to the BRLMs.

Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, Selling Shareholder, Banker(s) to the Company, legal counsels appointed for the Offer, the Book Running Lead Managers, the Registrar to the Offer, Statutory Auditor, the Independent Chartered Accountant, CRISIL, the Syndicate Members, the Banker(s) to the Offer/ Public Offer Account Bank/ Escrow Collection Bank/ Refund Bank, Sponsor Banks, to act in their respective capacities, have been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Red Herring Prospectus.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

i. Our Company has received written consent dated March 22, 2024 from Deloitte Haskins & Sells LLP, Chartered Accountants, to include their name as required under section 26 of the Companies Act, read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated March 15, 2024 on our Restated Financial Information; and (ii) their report dated March 22, 2024 on the Statement of Tax Benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

ii. Our Company has received written consent dated January 19, 2024 from J.C. Bhalla & Co., Chartered Accountants, to include their name as an independent chartered accountant and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

iii. Our Company has received written consent dated January 19, 2024 from Prakash Verma & Associates, to include their name as the practicing company secretary and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

iv. Our Company has received written consent dated March 22, 2024 from Inttl Advocare, to include their name as the intellectual property consultants and attorneys and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

The above-mentioned consents have not been withdrawn as on the date of this Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years

Our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus. Further, our Company does not have any listed subsidiaries or associate companies. Except for Indus Towers Limited, Robi Axiata Limited, Airtel Malawi Public Limited Company, Airtel Networks Zambia Plc and Airtel Uganda Limited as on date of this Red Herring Prospectus, our Company does not have any listed group companies. Further, except Airtel Uganda Limited, one of our group companies, as disclosed below, none of our group companies have undertaken any capital issues during the last three years.

Particulars	**Details of issue**
Year of issue	2023
Type of issue (public/ rights/ composite)	Initial public offering
Amount of issue (UGX)	8,000,000,000 ordinary shares of UGX 1 par value
Issue price (UGX)	UGX 100
Current market price	UGX 96 (as on December 21, 2023)
Date of closure of issue	October 27, 2023
Date of allotment and credit of securities to dematerialised account of investors	November 7, 2023
Date of completion of the project, where object of the issue was financing the project	N.A.
Rate of dividend paid	Dividend details: (see below)

Dividend details:

Year	Interim dividend (Q1: January – March)	Interim dividend (Q2: April – June)	Interim dividend (Q3: July – September)	Interim dividend (Q4: October – December)
2023	2,704.55	2.02	1.90	N.A.*
2022	5,900	5,000	5,200	Nil
2021	7,000	8,800	7,500	7,900

** Recommendations by the board of directors, if any, are yet to be made.*

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years by our Company.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken a public or rights issue in the five years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

Our Promoter is listed on the Stock Exchanges and except as disclosed below, has not undertaken a public or a rights issue during the last five years.

No.	**Date of Issue**	**Nature of Issue**	**Stated objects of the Issue**	**Status of compliance with stated objects**
1.	August 29, 2021	Rights issue • Issue size: Up to ₹ 209,873.90 million *(considering all call monies with respect to rights equity shares)*	1. Pre-payment or repayment, repurchase of all or a portion of certain borrowings (including interest	Complied

No.	Date of Issue	Nature of Issue	Stated objects of the Issue	Status of compliance with stated objects
		• No. of shares issued: 392,287,662 shares • Face value per share: ₹ 5 • Issue price per share: ₹ 535 (including a premium of ₹ 530) • Partly paid up • Application money per share: 25% *i.e.*, ₹ 133.75 (including premium of Rs. 132.5). • Ratio: One share for every 14 shares held by eligible shareholders	thereon) and other liabilities availed, as applicable, by Airtel and its subsidiaries, including deferred payment term liabilities to Department of Telecommunications. 2. General corporate purpose.	

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary.

Price information of past issues handled by the Book Running Lead Managers

A. **SBI Capital Markets Limited**

1. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited:*

Sr. No.	Issue name**	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	R K Swamy Limited(1) @	4,235.60	288.00	March 12, 2024	252.00	-	-	-
2	Entero Healthcare Solutions Ltd(2) @	1,6000.00	1,258.00	February 16, 2024	1,245.00	-19.65% [+0.30%]	-	-
3	Jana Small Finance Bank@	5,699.98	414.00	February 14, 2024	396.00	-5.23% [+1.77%]	-	-
4	Medi Assist Healthcare Services Ltd@	11,715.77	418.00	January 23, 2024	465.00	+22.32% [+3.40%]	-	-
5	Jyoti CNC Automation Limited#	10,000.00	331.00	January 16, 2024	370.00	+78.07% [-0.87%]	-	-
6	Azad Engineering Limited@	7,400.00	524.00	December 28, 2023	710.00	+29.06% [-2.36%]	-	-
7	Muthoot Microfin Limited(3) @	9,600.00	291.00	December 26, 2023	278.00	-20.77% [-0.39%]	-	-
8	Indian Renewable Energy Development Agency Limited#	21,502.12	32.00	November 29,2023	50.00	+204.06% [+8.37%]	+373.44% [+10.08%]	-
9	JSW Infrastructure Limited@	28,000.00	119.00	October 3, 2023	143.00	+41.34% [-2.93%]	+75.04% [+10.27%]	-
10	Updater Services Ltd@	6,400.00	300.00	October 4, 2023	299.90	-13.72%, [-1.76%]	+9.05% [+10.80%]	-

Source: www.nseindia.com and www.bseindia.com

Notes:

The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.

** *The information is as on the date of this document.*

* *The information for each of the financial years is based on issues listed during such financial year.*

@ *The S&P BSE SENSEX index is considered as the benchmark index, BSE being the designated stock exchange*

The Nifty 50 index is considered as the benchmark index, NSE being the designated stock exchange
1 Price for eligible employee was Rs 261.00 per equity share
2 Price for eligible employee was Rs 1,139.00 per equity share
3 Price for eligible employee was Rs 277.00 per equity share

2. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	12	1,32,353.46	-	2	4	2	2	1	-	-	1	2	-	-
2022-23	3	2,28,668.02	-	1	2	-	-	-	-	1	1	-	1	-
2021-22	10	2,17,814.28	-	-	6	1	2	1	-	3	1	3	-	3

* *The information is as on the date of this offer document.*
# *Date of listing for the issue is used to determine which financial year that particular issue falls into.*

B. Axis Capital Limited

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Gopal Snacks Limited! (1)	6,500.00	401.00	14-Mar-24	350.00	-	-	-
2	Jana Small Finance Bank Limited(1)	5,699.98	414.00	14-Feb-24	396.00	-5.23%, [+1.77%]	-	-
3	Apeejay Surrendra Park Hotels Limited@(2)	9,200.00	155.00	12-Feb-24	186.00	+17.39%, [+3.33%]	-	-
4	EPACK Durable Limited(1)	6,400.53	230.00	30-Jan-24	225.00	-19.96%, [+1.64%]	-	-
5	Medi Assist Healthcare Services Limited(1)	11,715.77	418.00	23-Jan-24	465.00	+22.32%, [+3.20%]	-	-
6	Azad Engineering Limited(1)	7,400.00	524.00	28-Dec-23	710.00	+29.06%, [-2.36%]	-	-

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
7	Happy Forgings Limited(2)	10,085.93	850.00	27-Dec-23	1,000.00	+14.06%, [-1.40%]	-	-
8	Muthoot Microfin Limited*(1)	9,600.00	291.00	26-Dec-23	278.00	-20.77%, [-0.39%]	-	-
9	Inox India Limited(1)	14,593.23	660.00	21-Dec-23	933.15	+32.01%, [+1.15%]	+70.81%, [+1.62%]	-
10	Flair Writing Industries Limited(2)	5,930.00	304.00	01-Dec-23	501.00	+14.69%, [+7.22%]	-8.63%, [+8.31%]	-

Source: www.nseindia.com and www.bseindia.com
(1)BSE as Designated Stock Exchange
(2)NSE as Designated Stock Exchange
! Offer Price was ₹ 363.00 per equity share to Eligible Employees
@ Offer Price was ₹ 148.00 per equity share to Eligible Employees
** Offer Price was ₹ 277.00 per equity share to Eligible Employees*

Notes:
a. *Issue size derived from Prospectus/final post issue reports, as available.*
b. *The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
c. *Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
d. *In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-2024*	18	218,638.22	-	-	3	2	6	6	-	-	1	3	1	-
2022-2023	11	279,285.39	-	1	6	-	2	2	-	2	5	-	3	1
2021-2022	25	609,514.77	-	2	6	6	5	6	3	4	3	5	3	7

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

C. BOB Capital Markets Limited

1. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by BOB Capital Markets Limited:*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Indian Renewable Energy Development Agency Limited^	21,502.12	32.00	November 29, 2023	50.00	+204.06% [+8.37%]	+373.44% [+10.08%]	-*
2	IRM Energy Limited^[3]	5,443.63	505.00	October 26, 2023	477.25	-7.20% [+4.97%]	-0.25% [+12.63%]	-*
3	Chemplast Sanmar Limited^	38,500.00	541.00	August 24, 2021	550.00	+2.06% [+5.55%]	+12.68 [+6.86%]	-3.30% [+3.92%]
4	Glenmark Life Sciences Limited^^	15,136.00	720.00	August 06, 2021	751.10	-6.38% [+7.10%]	-12.94% [+10.12%]	-20.67% [+8.45%]
5	Macrotech Developers India Limited^^	25,000.00	486.00	April 19, 2021	439.00	+30.19% [+4.68%]	+75.62% [+10.83%]	+146.92 [+27.86%]

Source: www.nseindia.com and www.bseindia.com
^NSE as designated Stock Exchange
^^BSE as designated Stock Exchange
** Data not available*

Notes:

1. *The 30th, 90th and 180th calendar day from listing day have been taken as listing day plus 29, 89 and 179 calendar days respectively. In the event any day falls on a holiday, the price/index of the previous trading day has been considered.*
2. *Benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company at the time of the Issue, as applicable.*
3. *Price for eligible employee was ₹ 457.00 per equity share.*

2. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by BOB Capital Markets Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	2	26,945.75		-	1	1	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	3	78,636.00	-	-	1	-	1	1	-	-	2	1	-	-

** The information is as on the date of this Offer Document.*
Source: Prospectus for issue details

Notes:

1. The above information is as on the date of this offer document.
2. The information for the financial years is based on issues listed during such financial year.

D. ICICI Securities Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited:*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Azad Engineering Limited^	7,400.00	524.00	28-Dec-23	710.00	+29.06% [-2.36%]	NA*	NA*
2	Innova Captab Limited^^	5,700.00	448.00	29-Dec-23	452.10	+15.16% [-1.74%]	NA*	NA*
3	Jyoti CNC Automation Limited^^	10,000.00	331.00(1)	16-Jan-24	370.00	+78.07% [-0.87%]	NA*	NA*
4	EPACK Durable Limited^	6,400.53	230.00	30-Jan-24	225.00	-19.96% [-1.64%]	NA*	NA*
5	Apeejay Surrendra Park Hotels Ltd^^	9,200.00	155.00(2)	12-Feb-24	186.00	+17.39% [+3.33%]	NA*	NA*
6	Rashi Peripherals Limited^	6,000.00	311.00	14-Feb-24	335.00	-0.77% [+1.77%]	NA*	NA*
7	Jana Small Finance Bank Limited^	5,699.98	414.00	14-Feb-24	396.00	-5.23% [+1.77%]	NA*	NA*
8	Entero Healthcare Solutions Limited^	16,000.00	1,258.00(3)	16-Feb-24	1,149.50	-19.65% [+0.30%]	NA*	NA*
9	Juniper Hotels Limited^^	18,000.00	360.00	28-Feb-24	365.00	NA*	NA*	NA*
10	Popular Vehicles and Services Limited^	6,015.54	295.00	19-Mar-24	289.20	NA*	NA*	NA*

**Data not available*
^BSE as designated stock exchange
^^NSE as designated stock exchange
(1) Discount of Rs. 15 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 331.00 per equity share.
(2) Discount of Rs. 7 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 155.00 per equity share.
(3) Discount of Rs. 119 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 1,258.00 per equity share.

2. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	28	2,70,174.98	-	-	7	5	7	7	-	-	-	5	-	-
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2
2021-22	26	7,43,520.19	-	3	6	6	4	7	3	4	5	5	4	5

* This data covers issues up to YTD

Notes:

1. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective issuer company.
2. Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective issuer company.
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.

E. IIFL Securities Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Securities Limited:*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Yatharth Hospital & Trauma Care Services Limited	6,865.51	300.00	BSE	August 7, 2023	304.00	+23.30%,[-0.26%]	+20.58%,[-2.41%]	+26.23%,[+9.30%]
2	Zaggle Prepaid Ocean Services Limited	5,633.77	164.00	NSE	September 22, 2023	164.00	+30.95%,[-0.67%]	+34.39%,[+7.50%]	+87.71%,[+10.89%]
3	Yatra Online Limited	7,750.00	142.00	BSE	September 28, 2023	130.00	-11.06%,[-2.63%]	-0.21%,[+8.90%]	N.A.
4	Updater Services Limited	6,400.00	300.00	BSE	October 4, 2023	299.90	-13.72%,[-1.76%]	+9.05%,[+10.80%]	N.A.
5	Cello World Limited	19,000.00	648.00(1)	NSE	November 6, 2023	829.00	+21.92%,[+7.44%]	+32.99%,[+12.58%]	N.A.
6	Protean eGov Technologies Limited	4,892.02	792.00(2)	BSE	November 13, 2023	792.00	+45.21%,[+7.11%]	+73.18%,[+10.26%]	N.A.
7	ASK Automotive Limited	8,339.13	282.00	NSE	November 15, 2023	303.30	+2.73%,[+7.66%]	+6.29%,[+9.86%]	N.A.

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
8	DOMS Industries Limited	12,000.00	790.00(3)	BSE	December 20, 2023	1400.00	+80.59%,[+0.97%]	+82.13%,[+3.18%]	N.A.
9	Medi Assist Healthcare Services Limited	11,715.77	418.00	BSE	January 23, 2024	465.00	+22.32%,[+3.20%]	N.A.	N.A.
10	R K Swamy Limited	4,235.60	288.00	BSE	March 12, 2024	252.00	N.A.	N.A.	N.A.

Source: www.nseindia.com; www.bseindia.com, as applicable

(1) *A discount of Rs. 61 per equity share was offered to eligible employees bidding in the employee reservation portion.*

(2) *A discount of Rs. 75 per equity share was offered to eligible employees bidding in the employee reservation portion.*

(3) *A discount of Rs. 75 per equity share was offered to eligible employees bidding in the employee reservation portion.*

Note: Benchmark index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the issue price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.

2. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by IIFL Securities Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			os. of IPOs trading at premium as n 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-2024	15	1,54,777.80	-	-	3	3	4	4	-	-	-	4	1	2
2022-2023	12	1,06,650.92	-	-	4	-	4	4	-	-	3	1	4	4
2021-2022	17	3,58,549.95	-	-	5	-	4	8	-	6	4	3	1	3

Source: www.nseindia.com; www.bseindia.com, as applicable
Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.
NA means not applicable.

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the Book Running Lead Managers, as set forth in the table below:

Sr. No.	Name of Book Running Lead Managers	Website
1.	SBI Capital Markets Limited	www.sbicaps.com
2.	Axis Capital Limited	www.axiscapital.co.in
3.	BOB Capital Markets Limited	www.bobcaps.in
4.	ICICI Securities Limited	www.icicisecurities.com
5.	IIFL Securities Limited	www.iiflcap.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and the SEBI Master Circular.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SEBI SCORES platform and has complied with the SEBI Circular number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 30, 2023 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Richa Gupta Rohatgi, as the Company Secretary and Compliance Officer for the Offer and she may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "*General Information – Company Secretary and Compliance Officer*" on page 82.

Our Company has also constituted a Stakeholders' Relationship Committee comprising of Arun Gupta, Kapal Kumar Vohra and Soumen Ray as members, to review and redress shareholder and investor grievances. For details, see "*Our Management – Committees of our Board – 3. Stakeholders Relationship Committee*" on page 234.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has filed an exemption application dated November 30, 2023, for relaxation of the strict enforcement of Regulation 8A(a) of the SEBI ICDR Regulations, under Regulation 300(1) of the SEBI ICDR Regulations, to enable TCIL to sell up to its entire holding of 30% of the pre-issue share capital of the Company through the Offer. The application has been withdrawn by way of a withdrawal letter dated March 7, 2024 submitted by our Company to SEBI.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, RBI Approval, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the offer for sale, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.

The Offer

The Offer comprises of an Offer for Sale by the Selling Shareholder.

For details in relation to the sharing of Offer expenses amongst our Company and the Selling Shareholder, see "*Objects of the Offer*" on page 101.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and Allotted/ transferred in the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our MoA and AoA and shall be *pari passu* with the existing Equity Shares in all respects including voting and right to receive dividends. For further details, see "*Main Provisions of the Articles of Association*" beginning on page 465.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the MoA and AoA and provisions of the SEBI Listing Regulations and any other guidelines, regulations or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on pages 253 and 465, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹5 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band, and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the BRLMs, and advertised in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of New Delhi, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company in consultation with the Book Running Lead Managers, after the Bid/ Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or "e-voting", in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, see "*Main Provisions of the Articles of Association*" on page 465.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated August 12, 2016 amongst our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated August 9, 2016 amongst our Company, CDSL and the Registrar to the Offer.

For details in relation to the Basis of Allotment, see "*Offer Procedure*" on page 443.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised and electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details on the Basis of Allotment, see "*Offer Procedure*" on page 443.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in New Delhi, India.

Period of operation of subscription list

See "*– Bid/ Offer Programme*" on page 435.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who made the nomination, by giving a notice of such cancellation or variation to our Company. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Transfer Agent of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENS ON	Wednesday, April 3, 2024(1)
BID/OFFER CLOSES ON	Friday, April 5, 2024(2)

(1) Our Company in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations

(2) UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	Friday, April 5, 2024
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, April 8, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Wednesday, April 10, 2024
Credit of Equity Shares to dematerialized accounts of Allottees	On or about Wednesday, April 10, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, April 12, 2024

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the* *manner specified in the SEBI Master Circular and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the agreements to be entered into between our Company with the relevant intermediaries, to the extent applicable.*

*The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.*The above timetable other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholder or the BRLMs or the members of the Syndicate.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI Master Circular and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, our Company shall within two days from the closure of the Offer, refund the subscription amount received in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the registrar and share transfer agents on a daily basis, as prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) – For RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹500,000	Only between 10.00 a.m. and up to 12.00 p.m. IST

Modification/ Revision/cancellation of Bids	
Modification of Bids by QIBs and Non-Institutional Bidders categories and modification/cancellation of Bids by RIBs#	Only between 10.00 a.m. and up to 5.00 p.m. IST

** UPI mandate end time and date shall be at 05:00 p.m. on Bid/ Offer Closing Date.*
 # QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, will be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 1:00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Offer Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, *i.e*., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer for Sale in accordance with the SEBI ICDR Regulations. In the event our Company does not receive a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, or fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI Master Circular and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and SEBI ICDR Regulations, our Company shall within two days from the closure of the Offer, refund the subscription amount received in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond the prescribed time, the Selling Shareholder, to the extent applicable, and our Company shall pay interest prescribed under the applicable law.

Our Company and shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholder and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Withdrawal of the Offer

Our Company, in consultation with the Book Running Lead Managers, reserves the right not to proceed with the Offer, in whole or in part thereof, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Managers, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

Restrictions, if any on transfer and transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of our Promoter's minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure – 6. History of share capital held by our Promoter – (b) Details of lock-in*" on page 95 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" on page 465.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

The Offer is of up to 75,000,000 Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to [●] million comprising of an Offer for Sale of up to 75,000,000 Equity Shares aggregating up to ₹[●] million by the Selling Shareholder.

The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company, respectively.

The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation* (2)	Not less than [●] Equity Shares.	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIBs and RIBs.	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIBs and Non-Institutional Bidders.
Percentage of Offer Size available for Allotment/allocation	Not less than 75% of the Offer shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the Net QIB Portion.	Not more than 15% of the Offer, less allocation to QIBs and RIBs. Further, (a) one third of such portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000; and (b) two third of such portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either the sub-categories mentioned above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not more than 10% of the Offer or the Offer less allocation to QIBs and Non-Institutional Bidders.
Basis of Allotment/ allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price.	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: a) one third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Biddings more than ₹200,000 and up to ₹1,000,000; and b) two third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Bidding more than ₹1,000,000. The unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other sub- category of Non-Institutional Portion in	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For further details, see "*Offer Procedure*" on page 443.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
		accordance with SEBI ICDR Regulations. The allotment of specified securities to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, see "*Offer Procedure*" on page 443.	
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, (excluding the Anchor portion) subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, (excluding the QIB portion) subject to limits applicable to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000.
Mode of Bidding	Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism.[3]		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Mode of Allotment	Compulsorily in dematerialised form.		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter.		
Trading Lot	One Equity Share.		
Who can apply[4]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs registered with SEBI (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta).

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	(1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws.		
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.[(3)] **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form.		

* *Assuming full subscription in the Offer.*

(1) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is made in accordance with the Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Book Running Lead Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

(3) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. Anchor Investors are not permitted to participate in the Offer through the ASBA process. SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Further SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIB and RIB and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

(4) *In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder is required in the Bid cum Application Form and such First Bidder will be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

(5) *Subject to valid bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable laws. For details, please see "Terms of the Offer" on page 433.*

The Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by FPIs*" on page 450 and having same PAN will be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) will be proportionately distributed.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix)submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) Designated Date; (xiv) disposal of applications; and (xv) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023.*

The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, in accordance with the SEBI Master Circular, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide the SEBI Master Circular, has reduced the timelines for refund of Application money to four days.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Selling Shareholder and the BRLMs, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus, when filed.

Further, our Company, the Selling Shareholder and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of this Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Procedure

This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process and is in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(2) of the SEBI ICDR Regulations, not less than 75% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, subject to availability of Equity Shares in the respective categories, not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification"**). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing **fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.**

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**UPI Streamlining Circular**"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

a. a syndicate member;

b. a stock broker recognised with a registered stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

c. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity); and

d. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process, which shall include the UPI Mechanism in case of UPI Bidders. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders).

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis.	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis.	Blue
Anchor Investors.	White

* *Excluding electronic Bid cum Application Forms.*

Notes:

(1) Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.

In case of ASBA forms (except ASBA forms submitted by UPI Bidders), the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (*i.e.*, the Sponsor Bank(s), NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead

Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by the UPI Bidders may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are "qualified institutional buyers" (as defined in Rule 144A) and referred to in this Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as QIBs) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.
b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.
c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm IST on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.
d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Participation by Promoter and Promoter Group of the Company, the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs) or pension fund sponsored by entities which are associate of the BRLMs nor; (ii) any person related to the Promoter or Promoter Group shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non- Resident External ("**NRE**") accounts, or FCNR accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRIs in the Offer shall be subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 24% of the total paid-up equity capital on a fully diluted basis or shall not exceed 24% of the paid-up value of each series of debentures or preference shares or share warrant.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For further details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 463.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholder reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

As specified in the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 ("**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIBs should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.*"

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations as amended, *inter alia*, prescribe the investment restrictions on VCFs, and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA NDI Rules, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in an investee company directly or through investment in the units of other AIF. A Category III AIFs cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholder, severally and not jointly, and the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"). and the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application

size of ₹ 100 million.

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.
5. Our Company, in consultation with the BRLMs, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the Book Running Lead Managers before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, *i.e*., the Anchor Investor Offer Price.
9. Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% Equity Shares allotted to Anchor Investors shall be locked–in for a period of 90 days from the date of Allotment, whereas, the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
10. Neither the (a) Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) or pension fund sponsored by entities which are associate of the Book Running Lead Managers nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category.
11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

    For more information, please read the General Information Document.

The information set out above is given for the benefit of the Bidders. Our Company, the Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Red Herring Prospectus and as will be specified in the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

QIBs and Non-Institutional Bidders are not allowed to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date.

***Do's*:**

1. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023;
2. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (*i.e*., bank account number) in the Bid cum Application Form if you are not an UPI Bidder in the Bid cum Application Form and if you are an UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;
8. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs;
9. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
10. If the First Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders);
11. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
12. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs;
14. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
15. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
16. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;

17. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
18. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
20. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
21. Ensure that the Demographic Details are updated, true and correct in all respects;
22. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
23. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
24. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
25. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
26. UPI Bidders who wish to Bid should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
27. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
28. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
29. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. IST on the Bid/ Offer Closing Date;
30. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;
31. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
32. Bids by Eligible NRIs for a Bid Amount of less than ₹200,000 would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the non-institutional category for allocation in the Offer;
33. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in

the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form;

34. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);
35. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank(s) issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner; and
36. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
5. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
12. In case of ASBA Bidders, do not submit more than one ASBA Form from an ASBA Account;
13. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI linked bank account where funds for making the Bid are available;
14. If you are an UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;
15. Anchor Investors should not Bid through the ASBA process;
16. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
17. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your

relevant constitutional documents or otherwise;

21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
22. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
23. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
24. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
25. Do not Bid for Equity Shares more than what is specified for each category;
26. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);
27. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;
28. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
29. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder, do not submit the ASBA Form directly with SCSBs;
30. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
33. Do not submit the Bid cum Application Forms to any non-SCSB bank;
34. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder);
35. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
36. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders; and
37. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

(a) Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
(b) Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
(c) Bids submitted on a plain paper;
(d) Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
(e) Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
(f) Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;
(g) Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
(h) ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
(i) ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
(j) Bids submitted without the signature of the First Bidder or Sole Bidder;
(k) The ASBA Form not being signed by the account holders, if the account holder is different from the

Bidder;

(l) Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

(m) GIR number furnished instead of PAN;

(n) Bids by RIBs with Bid Amount of a value of more than ₹200,000;

(o) Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

(p) Bids accompanied by stock invest, money order, postal order, or cash; and

(q) Bids uploaded by QIBs and by Non-Institutional Bidders after 4.00 pm on the Bid/Offer Closing Date and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

Further, in case of any pre-Offer or post -Offer related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see "*General Information – Company Secretary and Compliance Officer*" and "*Our Management – Key Managerial Personnel*" on pages 82 and 237, respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through this Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Bidders category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 200,000 and up to ₹ 1,000,000, and (ii) two-third of the portion available to Non-Institutional Bidders subject to valid Bids being received at or above the Offer Price shall be reserved for applicants with an application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company, in consultation with the BRLMs, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "BHARTI HEXACOM LIMITED-Anchor R A/c"

(b) In case of Non-Resident Anchor Investors: "BHARTI HEXACOM LIMITED-Anchor NR A/c"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Syndicate, the Escrow Banks and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of New Delhi, where our Registered Office is located) each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of New Delhi, where our Registered Office is located) each with wide circulation.

The allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Selling Shareholder and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price, but prior to filing of the Prospectus.

(b) After signing the Underwriting Agreement, a Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "*Terms of the Offer*" on page 433.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if the Offer is withdrawn after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently; and
- There will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be this is in the event there is a failure of the Offer.

Undertakings by the Selling Shareholder

The Selling Shareholder undertakes that:

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the Offered Shares;
- it shall deposit the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares and such Offered Shares shall be transferred in

the Offer, free from liens, charges and encumbrances; and

- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

Utilisation of Offer Proceeds

Our Company and the Selling Shareholder, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who –*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The responsibility of granting approval for foreign investment under the FDI Policy (defined herein below) and FEMA has been entrusted to the concerned ministries / departments.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Policy**"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Policy and the FEMA NDI Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares, as applicable. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the FEMA Non-debt Instruments Rules and FDI Policy read with Press Note, 100% foreign direct investment is permitted under the automatic route for telecom service providers, however, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on pages 449 and 450, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are "qualified institutional buyers" (as defined in Rule 144A) and referred to in this Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as QIBs) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

(THE COMPANIES ACT, 2013)
(COMPANY LIMITED BY SHARES)
RESTATED ARTICLES OF ASSOCIATION
OF
BHARTI HEXACOM LIMITED

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of the Bharti Hexacom Limited (the "Company") held on January 19, 2024. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

PRELIMINARY

TABLE 'F' EXCLUDED

The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

1. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company withreference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained inthese Articles.

2. The Articles of Association of the Company comprise of two parts, Part A and Part B, whichparts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable; however, Part B shall automatically terminate and cease to have any force and effect from the date of filing of the Red Herring Prospectus with the Registrar of Companies, Delhi and Haryana ("**RoC**") or as directed by the Securities and Exchange Board of India, pursuant to an initial public offering of the Equity Shares of the Company, and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action by the Company or its shareholders.

PART A

DEFINITIONS AND INTERPRETATION

3. In these Articles, the following words and expressions, unless repugnant to the subject, shall meanthe following:

"***Act***" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

"***Annual General Meeting***" means the annual general meeting of the Company convened and heldin accordance with the Act.

"***Articles of Association***" **or** "***Articles***" mean these Articles of association of the Company, as maybe altered from time to time in accordance with the Act.

"***Board***" or "***Board of Directors***" means the board of directors of the Company in office at applicable times.

"***Company***" means Bharti Hexacom Limited, a company incorporated under the laws of India.

"***Depository***" means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

"***Director***" shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

"***Equity Shares or Shares***" shall mean the issued, subscribed and fully paid-up equity shares of the Company;

"***Exchange***" shall mean BSE Limited and the National Stock Exchange of India Limited.

"***Extraordinary General Meeting***" means an extraordinary general meeting of the Company convened and held in accordance with the Act;

"***General Meeting***" means any duly convened meeting of the shareholders of the Company and any adjournments thereof;

"***Member***" means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

"***Memorandum***" or "***Memorandum of Association***" means the memorandum of association of the Company, as may be altered from time to time;

"***Office***" means the registered office, for the time being, of the Company;

"***Officer***" shall have the meaning assigned thereto by the Act;

"***Ordinary Resolution***" shall have the meaning assigned thereto by the Act;

"***Register of Members***" means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;

"***Special Resolution***" shall have the meaning assigned thereto by the Act; and

***'Fiscal Yea*r'** means the period from the first day of April to 31st day of March of the succeeding year;

4. Except where the context requires otherwise, these Articles will be interpreted as follows:

(a) headings are for convenience only and shall not affect the construction or interpretation ofany provision of these Articles.

(b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;

(c) words importing the singular shall include the plural and vice versa;

(d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;

(e) the expressions "hereof", "herein" and similar expressions shall be construed as referencesto these Articles as a whole and not limited to the particular Article in which the relevant expression appears;

(f) the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles.

Accordingly, ***include*** and ***including*** will be read without limitation;

(g) any reference to a ***person*** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) orother entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person's executors, administrators, heirs, legal representatives and permitted successors and assigns;

(h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;

(i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.

(j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:

(i) that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and

(ii) any subordinate legislation or regulation made under the relevant statute orstatutory provision;

(k) references to writing include any mode of reproducing words in a legible and non-transitory form; and

(l) references to ***Rupees, Rs., Re., INR, ₹*** are references to the lawful currency of India.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. AUTHORISED SHARE CAPITAL

The authorized share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandumof Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force.

6. NEW CAPITAL PART OF THE EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall besubject to the provisions herein contained, with reference to the payment of calls and installments,forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

7. KINDS OF SHARE CAPITAL

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

(a) Equity share capital:

(i) with voting rights; and/or

(ii) with differential rights as to dividend, voting or otherwise in accordance with theAct; and

(b) Preference share capital.

8. SHARES AT THE DISPOSAL OF THE DIRECTORS

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions andeither at a premium or at par or (subject to the compliance with the provisions of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company's members in General Meeting give to any person or persons the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

9. ISSUE OF SHARES AS CONSIDERATION

The Board of Directors may issue and allot shares of the Company as payment in full or in part, forany property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares andif so issued shall be deemed as fully paid up shares.

10. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

(a) increase the share capital by such sum, to be divided into shares of such amount as may be specified in the resolution;

(b) divide, sub-divide or consolidate all or any of its share capital into shares of larger amount than its existing shares and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;

(c) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

(d) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;

(e) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

(f) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

11. FURTHER ISSUE OF SHARES

1. Where any increase of subscribed capital through further issue of shares is contemplated by the Board then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

A. (i) Such further shares shall be offered to the persons who, at the date of offer, are holders of equity shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions;

a. The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than seven days (or such lesser number of days as may be prescribed under the Act or the rules made thereunder, or other applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days, or such other time prescribed under applicable law, before the opening of the issue;

b. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (A(i)(a)) shall contain a statement of this right;

c. After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company; or

B. employees under any scheme of employees' stock option subject to Special Resolution passed by the shareholders of the Company and subject such other conditions, as may be prescribed under applicable law; or

C. to any persons, if authorized by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, subject to compliance with applicable law.

(i) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the shareholders of the Company in a General Meeting.

(ii) Notwithstanding anything contained in sub section (ii), where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

(iii) In determining the terms and conditions of conversion under sub-section (iv), the Government shall have due regard to the financial position of the company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

(iv) Where the Government has, by an order made under sub-section (iii), directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the National Company Law Tribunal under sub-section (iv) or where such appeal has been dismissed, the memorandum of such company shall, stand altered and the authorized share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

12. TERM OF ISSUE OF DEBENTURE:

Subject to the applicable provisions of the Act and other applicable law, any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a General Meeting, appointment of Directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a General Meeting by Special Resolution.

If it is provided by the trust deed securing or otherwise in connection with an issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in case of any and every such issue of debentures, the person having such power may exercise such power from time to time and appoint a director accordingly.

13. RIGHT TO CONVERT LOANS INTO CAPITAL

Notwithstanding anything contained in sub-clauses(s) of Article 12 above, but subject, however, to the provisions of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.

14. VARIATION OF SHAREHOLDERS' RIGHTS

(a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of Section 48 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of notless than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class, as prescribed by the Act.

(b) Subject to the provisions of the Act, to every such separate meeting, the provisions of these Articles relating to meeting shall *mutatis mutandis* apply.

15. PREFERENCE SHARES

(a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board,shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as theydeem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board,shall have power to issue on a cumulative or non-cumulative basis convertible redeemablepreference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as theydeem fit and provide for redemption at a premium or otherwise and/or conversion of suchshares into such securities on such terms as they may deem fit.

16. AMALGAMATION

Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate subject to the provisions of the Act.

SHARE CERTIFICATES

17. ISSUE OF CERTIFICATE

Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

18. RULES TO ISSUE SHARE CERTIFICATES

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and theformat, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the said Act.

19. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees for each certificate as may be fixed by the Board,the maximum permissible amount prescribed under applicable law, and as may be amended from time to time . Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The provisions of this articles shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

The Company will issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement or such other time as may be prescribed under Regulation 39(2) of Listing Obligations and Disclosure

Requirements) Regulations, 2015.

LIEN

20. COMPANY'S LIEN ON SHARES / DEBENTURES

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (other than a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that shares or debentures and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect, and such lien shall lien shall extend to all dividends and bonuses from time to time declared declared in respect of such shares or debentures. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debenturesThe Directors may at any time declare any shares or debentures wholly or in part to be exempt from the provisions of this clause.

Provided that the Board may at any time declare any share or debenture to be wholly or in part exempt from the provisions of this Article.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

21. LIEN TO EXTEND TO DIVIDENDS, ETC.

The Company's lien, if any, on a share or debenture shall extend to all dividends or interest, as the case may be,payable and bonuses declared from time to time in respect of such shares / debentures.

22. ENFORCING LIEN BY SALE

The Company may sell, in such manner as the Board thinks fit, any shares on which the Companyhas a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

23. VALIDITY OF SALE

To give effect to any such sale, the Board may authorize some person to transfer the shares sold tothe purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings withreference to the sale.

24. VALIDITY OF COMPANY'S RECEIPT

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

25. APPLICATION OF SALE PROCEEDS

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any,shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale)be paid to the person entitled to the shares at the date of the sale. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

26. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

27. PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any othersecurities, including debentures, of the Company.

CALLS ON SHARES

28. BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that "the amount payable on application on every security shall not be less than five per cent of the nominal amount of the security or such other percentage, as prescribed by SEBI". The payment period for payment of balance money in Calls shall be kept open for fifteen days from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The option or right to call on shares shall not be given to any person except with the sanction of the company in general meeting.

29. NOTICE FOR CALL

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times, place and mode of payment, pay to the Company, at the time or times, place and mode so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

30. CALL WHEN MADE

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolutionauthorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

31. LIABILITY OF JOINT HOLDERS FOR A CALL

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

32. CALLS TO CARRY INTEREST

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

33. DUES DEEMED TO BE CALLS

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposesof these Articles, be deemed to be a call duly made and payable on the date on which by the termsof issue such sum becomes payable.

34. EFFECT OF NON-PAYMENT OF SUMS

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

35. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

36. PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES,ETC.

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

37. BOARD TO HAVE A RIGHT TO FORFEIT SHARES

If a Member fails to pay any call, or installment of a call or any money due in respect of any share,on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of thecall or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

38. NOTICE FOR FORFEITURE OF SHARES

The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made;and

(b) state that, in the event of non-payment on or before the day so named, the shares in respectof which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

39. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respectof payment of any such money shall preclude the forfeiture of such shares as herein provided. Furnther, thereshall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

40. FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

41. ENTRY OF FORFEITURE IN REGISTER OF MEMBERS

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to givesuch notice or make such entry as aforesaid

42. MEMBER TO BE LIABLE EVEN AFTER FORFEITURE

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respectof the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may,if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

43. EFFECT OF FORFEITURE

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental tothe share, except only such of those rights as by these Articles expressly saved.

44. CERTIFICATE OF FORFEITURE

A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claimingto be entitled to the share.

45. TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the shareand the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in referenceto the forfeiture, sale, re-allotment or disposal of the share.

46. VALIDITY OF SALES

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

47. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

48. BOARD ENTITLED TO CANCEL FORFEITURE

The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

49. SURRENDER OF SHARE CERTIFICATES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

50. SUMS DEEMED TO BE CALLS

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sumwhich, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

51. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company

TRANSFER AND TRANSMISSION OF SHARES

52. REGISTER OF TRANSFERS

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

53. ENDORSEMENT OF TRANSFER

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a freshshare certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

The Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the board of directors and/or the delegated authority shall attend to the formalities pertaining to transfer of securities at least once in a fortnight:
Provided that the delegated authority shall report on transfer of securities to the Board in each meeting.

Provided further that, in accordance with Regulation 40 of, Listing Obligations and Disclosure Requirements Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository

54. INSTRUMENT OF TRANSFER

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act,and of any statutory modification thereof for the time being shall be duly complied with inrespect of all transfer of shares and registration thereof. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply. The Company shall also use a common form of transfer form.

(b) Subject to the restriction on transferability of shares contained elsewhere in these Articles, the Board may decline to recognize any instrument of transfer unless-

(i) the instrument of transfer is in writing and in the form as prescribed in rules made under sub-Section (1) of Section 56 and statutory modification thereof shall have been duly complied with in respect of all transfer of shares and registration thereof;

(ii) the instrument of transfer is accompanied by such evidence as the Board may reasonably require to show theright of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

(c) Until the name of the transferee is entered in the register of members or the register and index of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996, the transferor shall be deemed to be the holder of the shares concerned.

(d) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

55. EXECUTION OF TRANSFER INSTRUMENT

Every such instrument of transfer shall be executed, both by or on behalf of both the transferor andthe transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

56. CLOSING REGISTER OF TRANSFERS AND OF MEMBERS

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the transfer books, Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

57. DIRECTORS MAY REFUSE TO REGISTER TRANSFER

Subject to the provisions of the these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion and by giving reasons) decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a member of the Company, but in such cases the Directors shall within a period of thirty days from the date on which the instrument of transfer was lodged with the Company send to the transferee and transferor notice of the refusal to register such transfer. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares.

58. TRANSFER OF PARTLY PAID SHARES

Where in the case of partly paid shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

59. TITLE TO SHARES OF DECEASED MEMBERS

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in theirabsolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

60. TRANSFERS NOT PERMITTED

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

61. TRANSMISSION OF SHARES

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless,if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as ifthe death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

62. RIGHTS ON TRANSMISSION

A person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holderof the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either tobe registered himself or to transfer the share and if the notice is not complied with within ninety(90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneyspayable in respect of such share, until the requirements of notice have been complied with.

63. SHARE CERTIFICATES TO BE SURRENDERED

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

64. COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusingor neglecting to do so, though it may have been entered or referred to in some book of the Companybut the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

65. TRANSFER AND TRANSMISSION OF DEBENTURES

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

SHARE WARRANTS AND ALTERATION OF CAPITAL

66. RIGHTS TO ISSUE SHARE WARRANTS

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application inwriting signed by the person registered as holder of the share, and authenticated by such evidence(if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

67. BOARD TO MAKE RULES

The Board may, from time to time, make rules as to the terms on which it shall think fit, a newshare warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

68. SHARES MAY BE CONVERTED INTO STOCK

Where shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company,and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

(c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stockand the words "share" and "shareholder"/"Member" shall include "stock" and "stock- holder" respectively.

69. REDUCTION OF CAPITAL

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be:

(i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up;

(ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets;

or

(ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum,by reducing the amount of its share capital and of its shares accordingly.

DEMATERIALISATION AND BUYBACKS

70. DEMATERIALISATION OF SECURITIES

(a) The Company shall recognize interest in dematerialized securities under the Depositories Act, 1996.

(b) The securities (including Shares) of the Company shall be held with a depository in electronic form and the certificate in respect thereof shall be dematerialized. The rights and obligations of the Company and the security-holders concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act 2009 ("**Depositories Act**"), as amended from time to time or any statutory modification thereto or re-enactment, the Securities and Exchange Board of India (Depositoriesand Participants) Regulations, 2018 and other Applicable Law.

(c) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 89 and other applicable provisions of the Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owner. No certificate shall be issued for the securities held by the Depository.

(d) (i) Notwithstanding anything to the contrary contained in the Act, or these Articles, a depository shall be deemed to be registered owner for the purposes of effecting Transfer of ownership of security on behalf of the beneficial owner.
(ii) Save as otherwise provided in (i) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
(iii) Every Person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a shareholders, or security holder as the case may be, of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

(e) Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

(f) Notwithstanding anything in the Act, or these Articles, to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(g) The provisions relating to joint holders of Shares, calls, lien on Shares, forfeiture of Shares and transfer and transmission of Shares shall be applicable to Shares held in depository, subject to the provisions of the Depositories Act.

(h) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(i) Except in the manner hereinabove mentioned, no Share shall be sub-divided.

(j) Dematerialization/Re-materialization of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, re materialize its securities held in Depositories and/or offer its fresh securities in the dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

(k) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts tohold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(d) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(e) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(f) Register and index of beneficial owners

The Company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

71. BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or otherspecified securities.

GENERAL MEETINGS

72. ANNUAL GENERAL MEETINGS

(a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

(b) An Annual General Meeting of the Company shall be held in accordance with theprovisions of the Act.

73. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

74. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

75. NOTICE FOR GENERAL MEETINGS

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice,in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicablelaws.

76. SHORTER NOTICE ADMISSIBLE

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

77. CIRCULATION OF MEMBERS' RESOLUTION

The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

78. SPECIAL AND ORDINARY BUSINESS

(a) Subject to the provisions of the Act, all business shall be deemed special that is transactedat the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of theremuneration of the auditors. In case of any other meeting, all business shall be deemed tobe special.

(b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

79. QUORUM FOR GENERAL MEETING

Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

80. TIME FOR QUORUM AND ADJOURNMENT

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. Ifat the adjourned meeting also a quorum is not present within half an hour from the time appointedfor the meeting, the Members present shall be quorum and may transact the business for which themeeting was called.

81. CHAIRMAN OF GENERAL MEETING

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meetingof the Company.

82. ELECTION OF CHAIRMAN

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

An individual appointed and re-appointed as chairman of the Company may also be the managing director or chief executive officer of the Company.

83. ADJOURNMENT OF MEETING

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjournthat meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of theadjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice ofadjournment of the business to be transacted at an adjourned meeting.

84. VOTING AT MEETING

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

85. DECISION BY POLL

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

86. CASTING VOTE OF CHAIRMAN

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a secondor casting vote in addition to the vote or votes to which he may be entitled to as a Member.

87. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the caseof resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting thebusiness in the General Meeting of the Company.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.

(c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

VOTE OF MEMBERS

88. VOTING RIGHTS OF MEMBERS

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding Equity Shares and present in person shall haveone vote.

(b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with theAct and shall vote only once.

89. VOTING BY JOINT-HOLDERS

In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes ofother joint holders.

90. VOTING BY MEMBER OF UNSOUND MIND

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or otherlegal guardian, and any such committee or legal guardian may, on a poll, vote by proxy.

91. NO RIGHT TO VOTE UNLESS CALLS ARE PAID

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised anyright of lien.

92. PROXY

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

93. INSTRUMENT OF PROXY

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which itis signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

94. VALIDITY OF PROXY

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

95. CORPORATE MEMBERS

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

96. NUMBER OF DIRECTORS

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not exceed a maximum of fifteen Directors:

The following shall be the first Directors of the Company

1. Shri Rajiv Mehrotra
2. Shri Shakti Sarup Puri
3. Shri Ajay Khanna
4. Shri Alok Tandon
5. Shri Kailash Narain Mehrotra
6. Smt. Shyama Mehrotra

97. SHARE QUALIFICATION NOT NECESSARY

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

98. ADDITIONAL DIRECTORS

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

99. ALTERNATE DIRECTORS

(a) The Board may, appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the "**Original Director**")

(b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors indefault of another appointment shall apply to the Original Director and not to the alternatedirector.

Provided no person shall be appointed or continue as an alternate director for an independent director as prescribed under Regulation 25 of Listing Obligations And Disclosure Requirements.

100. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

101. REMUNERATION OF DIRECTORS

(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(ii) in addition to the remuneration payable to them in pursuance of the act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

   (a) In attending and returning from meetings of the board of directors or any committee thereof or general meetings of the Company; or

   (b) In connection with the business of the Company.

The board may pay all expenses incurred in getting up and registering the Company.

102. Subject to the provisions of Companies Act ,2013, If any director, being willing, shall be called upon to perform extra service or to make any special exertions in the going or residing away from the place of his normal residence for any of the purpose of the company, the company may remunerate the Directors so doing either by a fixed sum or by a percentage on profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided for the Directors.

103. CONTINUING DIRECTOR MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no otherpurpose.

104. VACATION OF OFFICE OF DIRECTOR

The office of a Director shall be deemed to have been vacated under the circumstances enumeratedunder Act.

ROTATION AND RETIREMENT OF DIRECTOR

105. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At every Annual General Meeting of the Company, one third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions if any, of the Act.

106. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

107. WHICH DIRECTOR TO RETIRE

Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

108. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an OrdinaryResolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

PROCEEDINGS OF BOARD OF DIRECTORS

109. MEETINGS OF THE BOARD

(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit for the dispatch of business,adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year.

(b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorized in this behalf on the requisition of Director shall at any time summon ameeting of the Board.

(c) The notice of each meeting of the Board shall include

(i) the time for the proposed meeting;
(ii) the venue for the proposed meeting; and

(iii) an agenda setting out the businessproposed to be transacted at the meeting.

(d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing *i.e.*, audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

110. QUESTIONS AT BOARD MEETING HOW DECIDED

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

111. QUORUM

Subject to the provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

112. ADJOURNED MEETING

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

113. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is tohold office.

(b) If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may chooseone among themselves to be the chairman of the meeting.

114. POWERS OF DIRECTORS

(a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articlesrequired to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Companyin a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in suchmanner as the Board shall from time to time by resolution determine.

115. DELEGATION OF POWERS

(a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

(b) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

116. ELECTION OF CHAIRMAN OF COMMITTEE

(a) A committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the committee meeting.

(b) The quorum of a committee may be fixed by the Board of Directors.

117. QUESTIONS HOW DETERMINED

(a) A committee may meet and adjourn as it thinks proper.

(b) Questions arising at any meeting of a committee shall be determined by a majority of votesof the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

118. VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE

All acts done by any meeting of the Board, of a committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has beenduly appointed and was qualified to be a Director.

119. RESOLUTION BY CIRCULATION

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in Indiaand approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

120. MAINTENANCE OF FOREIGN REGISTER

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

121. BORROWING POWERS

(a) Subject to the provisions of the Act and these Articles, the Board may from time to time attheir discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company’s bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

(b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

(c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and he same shall be in the interests of the Company.

(c) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

122. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgagesand charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

123. MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

Subject to the provisions of the act,—

(i) a Managing Director ,Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the board;

(ii) a Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

(iii) A provision of the act or these regulations requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, Company secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

(iv) The director (other than the managing Director , Whole time director) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board in accordance with the provision of section 197 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

124. POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable underthese Articles by the Board of Directors, as they may think fit and confer such power for such timeand to be exercised as they may think expedient and they may confer such power either collaterallywith or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board’s direction.

125. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act —

(a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as itmay think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer ofthe Company at the same time.

(c) A provision of the Act or the Articles requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officershall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

COMMON SEAL

126. CUSTODY OF COMMON SEAL

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

127. SEAL HOW AFFIXED

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Directors or a committee of the Directors previously given,and in the presence of atleast two Directors and of the company secretary or such other person duly authorized by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may exercise the powers conferred by the Act with regard to having an official sealfor use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

DIVIDEND

128. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

129. INTERIM DIVIDENDS

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

130. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

(a) Any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in dividend subsequently declared or any right to participate in the profits of the Company..

(b) Where the Company has declared a dividend but which has not been paid or claimed withinthirty (30) days from the date of declaration, the Company shall within seven (7) days fromthe date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Bharti Hexacom Limited". and transfer to the said account, the total amount of dividend which remains unpaid.

(c) The Company shall, within a period of ninety days of making any transfer of an amount under sub- section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

(d) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(e) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall betransferred by the Company to the fund known as Investor Education and Protection Fundestablished under the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

(f) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.

(g) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law as prescribed under Regulation 43 of Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable law and such forfeiture, if effected, shall be annulled in appropriate cases.

131. DIVISION OF PROFITS

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the sharesin respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

132. DIVIDENDS TO BE APPORTIONED

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid;but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

133. RESERVE FUNDS

(a) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretionof the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the businessof the Company or be invested in such investments (other than shares of the Company) asthe Board may, from time to time think fit.

(b) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

134. DEDUCTION OF ARREARS

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company inrespect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sumsof money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

135. RECEIPT OF JOINT HOLDER

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

136. DIVIDEND HOW REMITTED

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

137. DIVIDENDS NOT TO BEAR INTEREST

No dividends shall bear interest against the Company.

138. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

139. CAPITALISATION OF PROFITS

(a) The Company in General Meeting, may, on recommendation of the Board resolve:

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:

(i) paying up any amounts for the time being unpaid on shares held by such Members respectively;

(ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid;

or

(iii) partly in the way specified in sub-clause (i) and partly that specified in sub -clause (ii).

(iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

(v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles

140. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and

(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have full power:

(i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and

(ii) to authorize any person to enter, on behalf of all the Members entitled thereto, intoan agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.

(c) Any agreement made under such authority shall be effective and binding on such Members.

ACCOUNTS

141. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

142. INSPECTION BY DIRECTORS

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act.

143. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board.

SERVICE OF DOCUMENTS AND NOTICE

144. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

145. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulatingin the neighborhood of Office of the Company shall be deemed to be duly served to him on the dayon which the advertisement appears.

146. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming tobe so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

147. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

(a) To the Members of the Company as provided by these Articles.

(b) To the persons entitled to a share in consequence of the death or insolvency of a Member.

(c) To the Directors of the Company.

(d) To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

148. NOTICE BY ADVERTISEMENT

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

149. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served onor sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

150. Subject to the applicable provisions of the Act–

(a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst themembers, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, butso that no member shall be compelled to accept any shares or other securities whereon thereis any liability.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in SAM payment the assets of the Company shall, onits winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

151. DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY

Subject to the provisions of the Act, every Director and Officer of the Company shall beindemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or inwhich relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

152. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of themagainst any liability for any acts in relation to the Company for which they may be liable but haveacted honestly and reasonably.

SECRECY CLAUSE

153. SECRECY

No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

GENERAL POWER

154. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorizedby its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

155. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**"), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.

PART B

THE COMPANIES ACT, 2013

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BHARTI HEXACOM LIMITED

I. PRELIMINARY

1. Subject as hereinafter provided; the regulations contained in Table 'F' in the First Schedule to the Act (*as defined hereinafter*) shall apply to the Company (*as defined hereinafter*) except in so far as otherwise expressly incorporated herein below.

2. The intention of these Articles (*as defined hereinafter*) is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in the Act (*as defined hereinafter*) allowing what were not previously allowed, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.

II. DEFINITIONS AND INTERPRETATION

3. In these Articles:

   a) "Act" means the Companies Act, 2013 read with the rules framed thereunder and includes where the context so admits, any re-enactment or statutory modifications or amendments thereof, for the time being in force, and where the context so requires shall mean and include any previous enactment thereof;

   b) "Articles of Association" or "Articles" means the Articles of Association of the Company as originally framed or as altered from time to time in accordance with the Act;

   c) 'Affiliate(s)' means any Corporate, which is a holding company or subsidiary company of a common holding company of BAL or TCIL.

   d) 'Auditors' means and includes those persons appointed as such for the time being by the Company.

   e) 'Agreement' shall mean the agreement entered into amongst BAL, and TCIL, all amendments and modifications (agrees to in writing) thereto as well as the Schedules annexed thereto;

   f) "BAL" shall mean Bharti Airtel Limited, having its registered office at Plot No. 16, Udyog Vihar, Phase IV, Gurgaon, Haryana-122015.

   g) "Board" or "Board of Directors" means the collective body of the directors of the Company;

   h) "Board Meeting" shall mean a meeting of the Board of Directors;

   i) 'Business' means the provision of cellular telephony and related value-added services in accordance with the terms of the Mobile Cellular Telephone License(s), as well as the (i) sale, finance, lease and distribution of subscriber equipment and accessories and (ii) the operation of a cellular mobile telephone network;

j) 'Consultation Matters' shall mean matters requiring consultation between the Parties before being brought to the Board Meeting or Annual General Meeting (AGM) / Extra-Ordinary General Meeting (EGM).

k) “Company” means Bharti Hexacom Limited.

l) 'Party or Parties' shall mean a shareholder of the company who is a signatory to the shareholders' Agreement and their affiliates.

m) 'Permitted Transferees' shall mean: (i) in case of TCIL, its Affiliates; and (ii) in case of BAL, its Affiliates.

n) 'Special Matters': In furtherance of the principles of corporate governance set forth in Clause 5.1, the following special matters ("Special Matters") must be mutually agreed upon in writing by the Parties in accordance with Clause 7.3 prior to their implementation by the Parties at meeting of the Shareholders:

   a) Amendment or alteration of Bharti Hexacom Limited's Memorandum of Association or Articles of Association;
   b) Reduction in the share capital of Bharti Hexacom Limited or variation in rights of any Shares;
   c) Change the name of Bharti Hexacom Limited;
   d) All matters involving mergers, acquisitions and new businesses with respect to Bharti Hexacom Limited or entering into any new line of business or changing Bharti Hexacom Limited's existing business;
   e) The liquidation, dissolution, voluntary bankruptcy, winding up of Bharti Hexacom Limited's affairs or placing them under official management or any form of statutory management or receivership or any analogous event with respect to Bharti Hexacom Limited;
   f) Appointment of or change of auditors;
   g) Any change in the registered office of Bharti Hexacom Limited;

o) “TCIL” shall mean Telecommunications Consultants India Limited, having its registered office at TCIL Bhawan, Greater Kailash-I, New Delhi-110048.

p) 'Law' or 'Applicable Law' shall mean: (i) any common or customary law; (ii) any statute, decree, constitution, judicial decision, judgment, legislation, ordinance, regulation, order or other legislative measure of any Government Entity; (iii) any present or future directive, regulation, request or requirement promulgated by any Government Entity (in each case, whether or not having the force of law, but, if not having the force of law) the non-compliance with which would have a material effect on any Party's ability to perform its obligations under this Agreement; and (iv) any treaty, pact, compact, or other agreement to which any Government Entity is a signatory or party.

q) 'License Agreement' shall mean the license agreement executed or to be executed between the Company and Government of India, Department of Communication;

r) 'License' shall mean the license issued by the Government of India, Ministry of Communications, Department of Communications, Telecom Commission to the Company for Cellular mobile telephone services for North East Circle and for Rajasthan Circle.

4. Except as otherwise specifically provided for in this Agreement, no Party may, directly or indirectly sell, assign, or transfer any shares or grant, declare, create or dispose of any right or interest in any shares (any such action being hereinafter referred to as to 'transfer' or a 'transfer') without having obtained the prior written consent of the other Party (such consent not to be unreasonably withheld). A Party is however, free to create any security interest, mortgage or lien etc. over any shares.

5. Notwithstanding the above, a Party is free to transfer its shares to its Permitted Transferee without the prior written consent of the other Party, provided that:

(a) The Transferring Party forthwith notifies the other Party in writing of the transfer to the Permitted Transferee prior to such transfer;

(b) Such Permitted Transferee shall have agreed in writing prior to such transfer to be bound by the terms of this Agreement in a form and substance reasonably acceptable to the other Party.

6. (a) If any Shareholder (the "Selling Shareholder") receives an offer (the "Offer") to sell any of its Shares in Bharti Hexacom Limited to a bona fide third party Offeror (the "Third Party Offeror"), it will be obliged to offer the same to the other Shareholder (the "Offeree Shareholders") on the same terms and condition, by delivering to the Offeree Shareholders a selling notice (the "Selling Notice") to which will be joined a copy of such Offer. It is clarified that the Third Party Offeror shall not be an existing competitor operating in Rajasthan or any person or entity subjected to punishment for any criminal act.

(b) The offer by the Selling Shareholder contained in the Selling Notice shall remain open for acceptance for a period of thirty (30) days following receipt of the Selling Notice. The Offeree Shareholder may accept the offer from the Selling Shareholder by giving written notice to such Selling Shareholder prior to the expiry of the thirty (30) day period. If such notice is not given by an Offeree Shareholder or not received by the Selling Shareholder(s) prior to the expiry of such 30 day period, then such Offeree Shareholder shall be deemed to have refused to purchase the Shares offered.

(c) If an Offeree Shareholder does not give said notice, then the Selling Shareholder shall have the right to sell all of the offered Shares to the Third Party Offeror at the price and upon the terms set forth in the Offer provided however that such sale be completed within thirty (30) days following the expiry of the thirty (30) day notice above mentioned. In the event that the Selling Shareholder does not sell the offered Shares to the Third Party Offeror within such period, then the provisions of this Agreement shall once again apply and so on from time to time.

7. Unless the context otherwise requires,

(i) words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company;

(ii) all references herein to any Article shall be deemed to be references to an Article of these Articles unless the context shall otherwise require;

(iii) all references herein to any section shall be deemed to be references to the section of the Act unless otherwise specified or the context shall otherwise require;

(iv) words importing the singular number also include the plural number and vice versa;

(v) words importing the masculine gender also include the feminine gender and vice versa; and

(vi) words importing persons include corporations.

III. SHARE CAPITAL AND VARIATION OF RIGHTS

8. Subject to the provisions of the Act and these Articles, the authorised share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of the memorandum of association of the Company with power to the Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.

9. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

10. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within 2 (two) months after incorporation, in case of subscribers to the memorandum or after allotment or within 1 (one) month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:

a) one certificate for all his shares without payment of any charges; or

b) several certificates, each for 1 (one) or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

(ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary.

(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a share to 1 (one) of several joint holders shall be sufficient delivery to all such holders.

11. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such charges as may be fixed by the Board for each certificate.

(ii) The provisions of Articles 8 and 11 shall *mutatis mutandis* apply to the other securities including debentures of the Company.

12. Except as required by applicable law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

13. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40 of the Act.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

14. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of such number of holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as may be prescribed by the Act.

(ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

15. The Company shall comply with the provisions of section 62 of the Act with regard to increasing the subscribed capital of the Company.

16. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari-passu* therewith.

17. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment or part-payment for any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or for goods or machinery supplied or to be supplied or for services rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company or the conduct of its business and shares which may be so allotted may be issued as fully or partly paid-up otherwise than in cash and if so issued, shall be deemed to be fully or partly paid as the case may be.

18. The Company shall have the power to issue securities at a premium and shall duly comply with the provisions of section 52 of the Act.

19. Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its securities and to offer its securities for subscription in dematerialized form, in which case the provisions of Depositories Act, 1996 shall apply along with the applicable provisions of the Act.

IV. FURTHER ISSUE OF SHARES

20. (i) Where at any time it is proposed to increase the subscribed capital of the Company, the Board may, in accordance with the Act, issue further shares to:

a) the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date; and/or

b) employees under a scheme of employees' stock option in accordance with the applicable laws to the Company.

(ii) Notwithstanding anything contained in sub-clause (i) the further shares may be offered to any persons (whether or not those persons include the persons referred to in clause (a) or (b) of sub-clause (i) hereof) in any manner whatsoever in accordance with the Act.

21. Subject to the provisions of section 55 of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

22. The Company shall have the power to issue sweat equity shares, subject to the compliance with requirements as provided for in the Act, or any other law as may be applicable.

V. LIEN

23. (i) The Company shall have a first and paramount lien:

a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and/or

b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The Company's lien, if any, on a share shall extend to all dividends or interest payable and bonuses declared from time to time in respect of such shares.

24. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

25. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

(iv) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

26. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

27. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

28. The provisions of Articles 23 to 28 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

VI. CALLS ON SHARES

29. (i) Subject to the provisions of Act and other applicable laws, the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

(ii) Each member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

30. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

31. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

32. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

33. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

34. The Board:

(i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve per cent) per annum, as may be agreed upon between the Board and the member paying the sum in advance.

35. The provisions of Articles 29 to 35 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

VII. TRANSFER OF SHARES

36. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

37. The Board may, subject to the right of appeal conferred by section 58 of the Act decline to register:

(i) the transfer of a share (not being a fully paid share) in favour of a person of whom they do not approve to be a member of the Company; or

(ii) any transfer of shares on which the Company has a lien.

38. The Board may decline to recognise any instrument of transfer unless:

(i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;

(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

39. On giving not less than 7 (seven) days' previous notice in accordance with section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than 30 (thirty) days at any 1 (one) time or for more than 45 (forty-five) days in the aggregate in any year.

40. In the case of death of any one or more of the persons named in the register of members as the joint holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall release the estate of the deceased joint-holder from any liability on the share held by him jointly with any other person.

41. The Company shall incur no liability or responsibility whatever in consequences of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner (as appearing in the register of members), to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or prohibiting registration of such transfer.

42. The provisions of Articles 36 to 42 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

VIII. TRANSMISSION OF SHARES

43. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

44. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either: (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

45. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

46. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

47. The person whose name has been entered in the register of members upon registration of transmission of shares by the Company shall indemnify the Company, its directors, manager, secretary and officers,

from and against all actions, suits, proceedings, accounts, claims and demands whatsoever for or on account of said shares or dividends or any part thereof or otherwise in connection with the same, and from and against all losses, costs, claims, actions, demands, risks, charges, expenses, damages and losses arising in any manner howsoever.

48. The provisions of Articles 43 to 48 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

IX. FORFEITURE OF SHARES

49. If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

50. The notice aforesaid shall:

(i) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the underlying shares shall be liable to be forfeited.

51. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

52. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

53. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

54. (i) A forfeited share shall be deemed to be the property of the Company and may be sold or re-sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

55. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

56. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

57. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

58. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

59. The provisions of these Articles as to forfeiture under Articles 49 to 58 shall apply to the other securities including the debentures issued by the Company.

X. ALTERATION OF CAPITAL

60. The Company may, from time to time, by way of a resolution as prescribed under the Act, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

61. Subject to the provisions of section 61 of the Act, the Company may-

(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(ii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(iii) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; or

(iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

62. Where shares are converted into stock:

(i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(iii) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

63. The Company may, by resolution as prescribed under the Act, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

(i) its share capital;

(ii) any capital redemption reserve account; or

(iii) any share premium account; and/or

(iv) any other reserve in the nature of share capital.

XI. CAPITALISATION OF PROFITS

64. (i) The Company in general meeting may, upon the recommendation of the Board, resolve-

a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-

a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

d) a securities premium account and a capital redemption reserve account may, for the purposes of these Articles, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; and

e) the Board shall give effect to the resolution passed by the Company in pursuance of this Article.

65. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power:

a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

(iii) Any agreement made under such authority shall be effective and binding on such members.

XII. BUY-BACK OF SHARES

66. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

XIII. GENERAL MEETINGS

67. Subject to the provisions of the Act, an annual general meeting shall be held each calendar year within the time prescribed under the Act. Subject to the foregoing, the Board may convene a general meeting whenever it deems appropriate in accordance with the provisions of the Act.

68. All general meetings other than an annual general meeting shall be called extraordinary general meetings.

69. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting in accordance with the provisions of the Act.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any 2 (two) members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

70. A general meeting of the Company may be called by giving not less than 21 (twenty one) days' notice in writing or through electronic mode but a general meeting may be called after giving shorter notice if consent is given in writing or by electronic mode and is received from such number of members, as provided under the Act in accordance with the provisions of the Act.

XIV. PROCEEDINGS AT GENERAL MEETINGS

71. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

72. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

73. If there is no such Chairperson, or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson of the meeting, the directors present shall elect 1 (one) of their members to be Chairperson of the meeting.

74. If at any meeting no director is willing to act as Chairperson or if no director is present within 15 (fifteen) minutes after the time appointed for holding the meeting, the members present shall choose 1 (one) of their members to be Chairperson of the meeting.

75. If there is an equality of votes at any general meeting, the Chairperson of such meeting shall have a second or casting vote.

76. (i) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors to be prepared and signed in such manner as may be prescribed by the Act and kept by making within 30 (thirty) days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

(ii) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

77. The books containing the minutes of the proceedings of any general meeting of the Company shall: (i) be kept at the registered office of the Company; and (ii) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.

XV. ADJOURNMENT OF MEETING

78. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

XVI. VOTING RIGHTS

79. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(i) on a show of hands, every member present in person shall have 1 (one) vote; and

(ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

80. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

81. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

82. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

83. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

84. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

85. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

XVII. PROXY

86. Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

87. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

88. An instrument appointing a proxy shall be in the form as prescribed in the Act.

89. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

XVIII. BOARD OF DIRECTORS

90. The Board of Directors of the Company shall consist of not less than three directors and not more than twelve directors.

However, the Board shall comprise of nominees of BAL; and TCIL in the ratio of 2:1 (BAL : TCIL).

91. The following were the first Directors of the Company:

a) Shri Rajiv Mehrotra

b) Shri Shakti Sarup Puri

c) Shri Ajay Khanna

d) Shri Alok Tandon

e) Shri Kailash Narain Mehrotra

f) Smt. Shyama Mehrotra

92. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

b) in connection with the business of the Company.

93. The Board may pay all expenses incurred in getting up and registering the Company.

94. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise

executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

95. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

96. (i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

(iii) Subject to the provisions of section 161, the Board shall have power at any time, and from time to time, to appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India.

(iv) The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a government company.

97. If it is provided by the trust deed securing or otherwise in connection with an issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in case of any and every such issue of debentures, the person having such power may exercise such power from time to time and appoint a director accordingly.

98. The Board of Directors shall establish an Audit and Finance Committee composed of three (3) Members of the Board of Directors, two (2) representative of BAL and one (1) representative of TCIL. The Committee shall meet at least once every 3 months. The Audit and Finance Committee shall recommend the appointment and selection of the Chief Financial Officer (the "CFO") of the Company and such Committee shall review and approve: (i) related party transactions and (ii) monthly financial statements and reports. The CFO shall, in addition to reporting to the Chief Executive Officer, be directly accountable to the Audit and Finance Committee. In addition, the Audit and Financial Committee shall decide as to:

i. the form and the type of information to be provided by the Company on a monthly basis; and

ii. the financial controls to be established which controls shall be in conformity with controls established by BAL and TCIL for their own respective financial controls. The Audit and Finance Committee may also make recommendations regarding the appointment, terms of employment and changes therein and termination of the CFO of the Company.

XIX. PROCEEDINGS OF THE BOARD

99. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as they deem fit and in accordance with the applicable provisions of the Act.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

100. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

101. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

102. The Chairperson shall be a director appointed through consent of a majority of directors of the Company.

103. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

104. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

105. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

106. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any 1 (one) or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

107. Save as otherwise expressly provided in the Act, a resolution in writing, signed by a majority of members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held. No meeting of the Board shall be held unless at least 7 (seven) days prior written notice of such meeting is given to all the directors by hand delivery or by post or by electronic means as may be permitted in the Act. A shorter period of notice may be given subject to the conditions mentioned in the section 173 (3) of the Act.

108. The Board shall hold a minimum number of 4 (four) meetings of the Board every year in such a manner that in every quarter 1 (one) Board meeting is held and not more than 120 (one hundred twenty) days shall intervene between 2 (two) consecutive meetings of the Board.

109. The Chairperson may, at any time, and the company secretary, if any, or such other officer of the Company as may be authorised in this behalf on the requisition of director shall at any time summon a meeting of the Board. Notice will be sent at the registered address of every director and such notice shall be sent either by hand delivery or by courier or by registered post or by speed post or by electronic means or by any other mode as may be permitted under the Act.

110. The directors may participate in board meetings through such modes as may be permitted by the Act.

111. Subject to the provisions of the Companies Act, the quorum shall be as per the Act, provided that for a meeting in which Special Matters are on the agenda, the presence of at least 1 (one) nominee each of BAL and TCIL shall be necessary for the purposes of quorum. If any meeting is adjourned for want of quorum, the same shall be reconvened as per the Act and the requirement of presence of at least 1 (one) TCIL and 1 (one) BAL nominee for meetings in which Special Matters are on the agenda, shall not be required and the quorum shall be as per the Act.

112. Voting at the meeting shall be as per the provisions of the Act. Provided however, that for Special Matters, the affirmative vote of both TCIL and 'BAL will be required. It is further agreed that if any

meeting is adjourned for want of quorum, the same shall be reconvened as per the Act and the requirement of affirmative vote of TCIL and BAL for Special Matters, shall not be required and the voting shall be as per the Act.

113. Subject to the provisions of the Act, a resolution passed by circulation, without a meeting of the Board or a Committee of the Board (such committee comprising at least one TCIL nominee) shall be as valid and effectual as a resolution duly passed at a meeting of the Board or a Committee thereof duly called and held.

114. The total strength of the Board shall mean the number of directors actually holding office as directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of directors, if any, whose places are vacant at the time.

115. 'Consultation Matters': The Parties agree that in respect of the following matters, Chairman and Managing Director, BAL shall consult Chairman and Managing Director, TCIL before taking any decision on the following matters:

(a) Approval of monthly and annual budgets, MIS and Audited accounts, Capital expenditure / Investments, Expansion / Diversification;
(b) Floating of shares/debentures, lending / borrowings, making / acceptance of deposits etc. subject to exemption of sums within threshold amount to be mutually agreed by BAL & TCIL;
(c) Dividend/Bonus shares to shareholders;
(d) Appointment of CEO

XX. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

116. Subject to the provisions of the Act:

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may deem fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; and

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

117. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

XXI. REGISTERS AND RETURNS

118. The Company shall maintain, at its registered office, all statutory books, registers and records as is required under the Act and, to promptly and timely file all statutory returns with the jurisdictional registrar of companies as required by the Act. The Company shall file an annual return (containing the relevant particulars) with the jurisdictional registrar of companies within the time period as required under the provisions of the Act.

119. The Company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may deem fit respecting the keeping of any such register.

XXII. DIVIDENDS AND RESERVE

120. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

121. Subject to the provisions of section 123 of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

122. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

123. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these Articles as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

124. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

125. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

126. Any 1 (one) of 2 (two) or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

127. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

128. No dividend shall bear interest against the Company.

XXIII. ACCOUNTS

129. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

XXIV. WINDING UP

130. Subject to the provisions of the Act and rules made thereunder-

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

XXV. BORROWING POWERS

131. The Board may, subject to the provisions of the Act, raise or borrow any sum or sums for the purposes of the Company and secure repayment of any sum or sums borrowed, in such manner and at such time or times and upon such terms and conditions as it may deem fit in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures of debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to the Board may seem expedient.

XXVI. INDEMNITY

132. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in which relief is granted to him by the court or the tribunal under the provisions of the Act.

XXVII. ARBRITRATION

133. In the event of any dispute among the Shareholders howsoever arising under or in connection with this Agreement, then the Shareholders agree as follows:

(i) They shall use their best efforts to settle such dispute; to this end, the shareholders shall forthwith meet to attempt to resolve such disputes through amicable and good faith discussions failing which, such dispute shall be submitted to one (1) senior executive appointed by each of BAL and TCIL and

(ii) Any and all disputes in connection with or arising out of this Agreement (including, for the avoidance of doubt, any dispute with regard to Special Matters) shall, be referred to arbitration in terms of the provisions of the Arbitration and Conciliation Act, 1996. Each Party shall appoint one arbitrator and the two arbitrators shall jointly appoint the third arbitrator. The proceedings shall be held in New Delhi. The award of the arbitrators shall be final and binding on the Parties.

XXVIII. MISCELLANEOUS

134. The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any other person or persons to exercise such powers.

135. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any particular action or transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company), which have been entered into or are to be entered into by our Company which are, or may be, deemed material, will be attached to the copy of this Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the abovementioned documents and contracts, and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from date of this Red Herring Prospectus until the Bid/ Offer Closing Date and will be available on the website of our Company at https://www.bhartihexacom.in/ipo.html.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated January 19, 2024 amended by an amendment agreement dated March 15, 2024 between our Company, the Selling Shareholder and the BRLMs.

2. Registrar Agreement dated January 19, 2024 between our Company, the Selling Shareholder and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated March 22, 2024 between our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank, Refund Bank, Public Offer Account Bank and Sponsor Banks.

4. Share Escrow Agreement dated March 21, 2024 between our Company, the Selling Shareholder and the Share Escrow Agent.

5. Syndicate Agreement dated March 22, 2024 between our Company, the Selling Shareholder, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] between our Company, the Selling Shareholder and the Underwriters.

B. Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.

2. Certificate of incorporation dated April 20, 1995, and certificate for commencement of business dated April 26, 1995, issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi.

3. Fresh certificate of incorporation consequent to the change in the name of our Company, issued by the RoC on December 2, 2004.

4. Resolutions of the Board and the Shareholders both dated January 19, 2024, approving the Offer.

5. Resolution of our Board dated January 19, 2024 approving the Draft Red Herring Prospectus.

6. Resolution of our Board dated March 22, 2024 approving this Red Herring Prospectus.

7. Resolution of our Board dated March 15, 2024, taking on record the consent of the Selling Shareholder to participate in the Offer for Sale.

8. Resolution of our Board dated January 19, 2024 approving the business-related strategies of the Company.

9. Consent letter from the Selling Shareholder authorising its participation in the Offer.

10. Copies of the annual reports of our Company for the Financial Years ended March 31, 2023, 2022 and 2021.

11. The examination report dated March 15, 2024 of the Statutory Auditor, on our Restated Financial Information, included in this Red Herring Prospectus.

12. The statement of possible special tax benefits dated March 22, 2024 issued by the Statutory Auditor.

13. Written consent of the Directors, Company Secretary and Compliance Officer, Promoter, the BRLMs, the Syndicate Members, legal counsel to our Company as to Indian law, international legal counsel to the Company, Registrar to the Offer, Independent Chartered Accountant, Escrow Collection Bank, Refund Bank, Public Offer Account Bank and Sponsor Banks, Bankers to our Company, as referred to in their specific capacities.

14. Certificate dated March 22, 2024 issued by J. C. Bhalla & Co, Chartered Accountants, certifying the KPIs of the Company.

15. Resolution dated March 15, 2024 passed by the Audit Committee approving the KPIs for disclosure.

16. Written consent dated March 22, 2024 from Deloitte Haskins & Sells LLP, Chartered Accountants, to include its name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this RHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated March 15, 2024 on our Restated Financial Information; and (ii) their report dated March 22, 2024 on the Statement of Special Tax Benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "experts" and consent thereof does not represent an "expert" or consent as is defined under the U.S. Securities Act.

17. Written consent dated January 19, 2024 from J. C. Bhalla & Co, Independent Chartered Accountant, to include its name as an "expert" as defined under Section 2(38) of the Companies Act, 2013.

18. Written consent dated March 22, 2024 from Inttl Advocare, Intellectual Property Consultants & Attorneys, to include their name as Intellectual Property consultants and as an "expert" as defined under Section 2(38) of the Companies Act.

19. Written consent dated January 19, 2024 from M/s. Prakash Verma & Associates, practicing company secretary to include their name as required under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in their capacity as a practicing company secretary.

20. CRISIL's consent letter dated March 12, 2024 for the CRISIL Report.

21. The report titled "*Assessment of telecom industry in India*" dated March 2024 prepared by CRISIL, which has been commissioned by and paid for by our Company pursuant to an engagement letter with CRISIL dated November 17, 2023, exclusively for the purposes of the Offer.

22. Shareholders' agreement dated August 30, 2004, read together with the addendum dated October 7, 2004 entered into amongst Telecommunications Consultants India Limited and the erstwhile Bharti Tele-Ventures Limited, the entity whose name was subsequently changed to Bharti Airtel Limited, as amended by the amendment agreement dated January 19, 2024.

23. Universal Service Obligation Fund Agreement for provision of mobile services in identified uncovered villages and along national highways in Manipur-A, Manipur-B, Mizoram, Nagaland, Tripura and Arunachal Pradesh units of North Eastern region between the President of India, acting through the Administrator, Universal Service Obligation Fund, Department of Telecommunications and our Company dated December 8, 2017, as amended by way of letters dated March 12, 2019, January 7, 2020 and July 2, 2020.

24. Universal Service Obligation Fund Agreement for provision of 4G based mobile services in identified uncovered villages and along national highways in Meghalaya between the President of India, acting through the Administrator, USOF and our Company dated September 4, 2020, as amended by way of letters dated June 18, 2021, March 14, 2022, May 9, 2022, September 12, 2022, December 19, 2022, March 28, 2023 and September 18, 2023.

25. Universal Service Obligation Fund Agreement for provision of 4G based mobile services in identified uncovered villages in aspirational districts in Rajasthan between the President of India, acting through the Administrator, USOF and our Company dated March 22, 2021, as amended by way of letters dated March 4, 2022, March 15, 2022, July 18, 2022 (read with corrigendum dated August 26, 2022), December 9, 2022, August 17, 2023 and August 31, 2023.

26. Universal Service Obligation Fund Agreement for provision of 4G based mobile services in identified uncovered villages in Arunachal Pradesh between the President of India, acting through the Administrator, USOF and our Company dated October 29, 2021, as amended by way of letters dated December 15, 2021, May 25, 2023 and August 14, 2023.

27. Composite Scheme of Arrangement of Tata Teleservices Limited with our Promoter and our Company and their respective shareholders and creditors as sanctioned by the National Company Law Tribunal, Principal Bench, New Delhi by way of its orders dated January 30, 2019, March 5, 2019 and May 30, 2019.

28. Due diligence certificate dated January 19, 2024, addressed to SEBI from the BRLMs.

29. In-principle approvals each dated February 23, 2024 issued by BSE and NSE.

30. Tripartite agreement dated August 12, 2016 between our Company, NSDL and the Registrar to the Company.

31. Tripartite agreement dated August 9, 2016 between our Company, CDSL and the Registrar to the Company.

32. Exemption application filed by our Company dated November 30, 2023 seeking exemption under Regulation 300(1)(a) of the SEBI ICDR Regulations.

33. Letter dated March 7, 2024 submitted by our Company to SEBI withdrawing the exemption application dated November 30, 2023 seeking exemption under Regulation 300(1)(a) of the SEBI ICDR Regulations.

34. SEBI observation letter bearing reference number SEBI/HO/CFD/RAC-DIL2/P/OW/2024/10109/1 dated March 11, 2024.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Jagdish Saksena Deepak
Chairperson and Non-Executive Director

Place: Noida
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Devendra Khanna
Non-Executive Director

Place: New Delhi
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Soumen Ray
Non-Executive Director

Place: Gurgaon
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sanjeev Kumar
Non-Executive Director

Place: New Delhi
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Surajit Mandol
Non-Executive Director

Place: New Delhi
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ashok Tyagi
Independent Director

Place: New Delhi
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Arvind Kohli
Independent Director

Place: Gurgaon
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Arun Gupta
Independent Director

Place: Noida
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Nalina Suresh
Independent Director

Place: Gurgaon
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Kapal Kumar Vohra
Independent Director

Place: Gurgaon
Date: March 22, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Akhil Garg
Chief Financial Officer

Place: Gurgaon
Date: March 22, 2024

DECLARATION

We, Telecommunications Consultants India Limited, in our capacity as a Selling Shareholder, hereby confirm and declare that all statements, disclosures and undertakings made or confirmed by us in this Red Herring Prospectus in relation to us, as the Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements and undertakings made or confirmed by or relating to the Company or any other person(s) in this Red Herring Prospectus.

SIGNED BY AND ON BEHALF OF TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED

Authorised Signatory

Name: Vishal Kohli

Designation: Company Secretary

Date: New Delhi

Place: March 22, 2024

Authorised Signatory

Name: Manish Maini

Designation: ED (F&A)