



May 14, 2024

National Stock Exchange of India Limited

Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051, India
Symbol: BHARTIHEXA

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001, India
Scrip Code: 544162

Sub: Quarterly report for the fourth quarter (Q4) ended March 31, 2024

Dear Sir/ Madam,

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the quarterly report for the fourth quarter (Q4) ended March 31, 2024 being released by the Company.

Kindly take the same on record.

Thanking you,
Sincerely yours,

For Bharti Hexacom Limited




Richa Gupta Rohatgi
Company Secretary & Compliance Officer
Membership No.: A24446
Address: Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110070

Bharti Hexacom Limited

Regd. and Corporate Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India
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CIN: U74899DL1995PLC067527



- Healthy response from investors which made it a successful IPO with overall ~30x oversubscription (excluding anchor portion).



14th May 2024

The financial statements included in this quarterly report fairly present in all material respects the financial position, results of operations, cash flow of the company as of and for the periods presented in this report.

Bharti Hexacom Limited

(Incorporated as a public limited company on April 20, 1995 under the Companies Act, 1956)
Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi





Supplemental Disclosures

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or basis almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or basis and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

General Risk: - Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Bharti Hexacom, along with the equity investment risk which doesn't guarantee capital protection.

Convenience translation: - We publish our financial statements in Indian Rupees. All references herein to “Indian Rupees” and “Rs” are to Indian Rupees and all references herein to “US dollars” and “US\$” are to United States dollars. Translation of income statement items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the respective quarter average rate. Translation of Statement of financial position items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the closing rate. The rates announced by the Reserve Bank of India are being used as the Reference rate for respective translations. All amounts translated into United States dollars as described above are provided solely for the convenience of the reader, and no representation is made that the Indian Rupees or United States dollar amounts referred to herein could have been or could be converted into United States dollars or Indian Rupees respectively, as the case may be, at any particular rate, the above rates or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company's results of operations and cash flows that have been derived from amounts calculated in accordance with Indian Accounting Standards (Ind-AS), but are not in themselves Ind-AS measures. They should not be viewed in isolation as alternatives to the equivalent Ind-AS measures and should be read in conjunction with the equivalent Ind-AS measures.

Further, disclosures are also provided under “7.3 Use of Non - GAAP Financial Information” on page 15.

Others: In this report, the terms “we”, “us”, “our”, “Hexacom”, or “the Company”, unless otherwise specified or the context otherwise implies, refer to Bharti Hexacom Limited (“Bharti Hexacom”) and its fellow subsidiaries, Bharti Airtel Services Limited, Bharti Telemedia Limited, Airtel Limited (Incorporated w.e.f. March 16, 2021), Nxtra Data Limited, Xtelify Limited (formerly known as Airtel Digital Limited), Indo Teleports Limited (formerly known as Bharti Teleports Limited), OneWeb Telecommunications India Private Limited (Acquired w.e.f. April 13, 2021), Bharti Airtel (France) SAS, Bharti Airtel (Hong Kong) Limited, Bharti Airtel (Japan) Private Limited, Bharti Airtel (UK) Limited, Bharti Airtel (USA) Limited, Bharti Airtel International (Mauritius) Limited, Bharti Airtel International (Netherlands) B.V., Bharti Airtel Lanka (Private) Limited, Bharti International (Singapore) Pte Ltd, Network i2i Limited., Airtel (Seychelles) Limited, Airtel Congo S.A, Airtel Gabon S.A., Airtel Madagascar S.A., Airtel Malawi plc, Airtel Mobile Commerce B.V., Airtel Mobile Commerce Holdings B.V., Airtel Mobile Commerce (Kenya) Limited, Airtel Mobile Commerce Limited, Airtel Mobile Commerce Madagascar S.A.,

Airtel Mobile Commerce (Rwanda) Limited, Airtel Mobile Commerce (Seychelles) Limited, Airtel Mobile Commerce Tanzania Limited, Airtel Mobile Commerce Tchad S.A, Airtel Mobile Commerce Uganda Limited, Airtel Mobile Commerce Zambia Limited, Airtel Money (RDC) S.A., Airtel Money Niger S.A., Airtel Money S.A., Airtel Networks Kenya Limited, Airtel Networks Limited, Airtel Networks Zambia plc, Airtel Rwanda Limited, Airtel Tanzania plc, Airtel Tchad S.A., Airtel Uganda Limited, Bharti Airtel Africa B.V., Bharti Airtel Chad Holdings B.V., Bharti Airtel Congo Holdings B.V., Bharti Airtel Developers Forum Limited, Bharti Airtel Gabon Holdings B.V., Bharti Airtel Kenya B.V., Bharti Airtel Kenya Holdings B.V., Bharti Airtel Madagascar Holdings B.V., Bharti Airtel Malawi Holdings B.V., Bharti Airtel Mali Holdings B.V., Bharti Airtel Niger Holdings B.V., Bharti Airtel Nigeria B.V., Bharti Airtel Nigeria Holdings II B.V., Bharti Airtel RDC Holdings B.V., Bharti Airtel Services B.V., Bharti Airtel Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Celtel (Mauritius) Holdings Limited, Airtel Congo (RDC) S.A., Celtel Niger S.A., Channel Sea Management Company (Mauritius) Limited, Congo RDC Towers S.A., Indian Ocean Telecom Limited, Madagascar Towers S.A., Malawi Towers Limited, Mobile Commerce Congo S.A., Montana International, Partnership Investments S.a.r.l, Société Malgache de Téléphone Cellulaire S.A., Bharti Airtel Rwanda Holdings Limited, Airtel Money Transfer Limited, Airtel Money Tanzania Limited, Airtel Mobile Commerce (Nigeria) Limited, Bharti Airtel International (Mauritius) Investments Limited, Airtel Africa Mauritius Limited, Bharti Airtel Holding (Mauritius) Limited, Bharti Airtel Overseas (Mauritius) Limited, Airtel Africa Plc, Airtel Mobile Commerce Nigeria B.V., Bharti Airtel Employees Welfare Trust, Airtel Mobile Commerce (Seychelles) B.V., Airtel Mobile Commerce Congo B.V., Airtel Mobile Commerce Kenya B.V., Airtel Mobile Commerce Madagascar B.V., Airtel Mobile Commerce Malawi B.V., Airtel Mobile Commerce Rwanda B.V., Airtel Mobile Commerce Tchad B.V., Airtel Mobile Commerce Uganda B.V., Airtel Mobile Commerce Zambia B.V., Airtel International LLP, Airtel Money Trust, Airtel Mobile Commerce DRC B.V., Airtel Mobile Commerce Gabon B.V., Airtel Mobile Commerce Niger B.V., Airtel Money Kenya Limited, Network i2i (UK) Limited (incorporated w.e.f. May 19, 2020), The Airtel Africa Employee Benefit Trust (May 14, 2020), Airtel Money Trust, Airtel Digital Services Holdings B.V. (incorporated on November 12, 2020), Airtel Africa Services (UK) Limited (incorporated on 2 November 2020), Airtel Mobile Commerce Services Limited (incorporated on 24 March 2021), Airtel Africa Telesonic Holdings B.V. (incorporated on 29 June 2021) and Airtel Africa Telesonic B.V. (incorporated on 29 June 2021), SmartCash Payment Service Bank Limited (incorporated on November 30, 2021), Airtel Africa Telesonic Holdings Limited (incorporated on Oct 6, 2021), Airtel Africa Telesonic Limited (incorporated on Oct 6, 2021), Airtel Congo Telesonic Holdings (UK) Limited, Airtel DRC Telesonic Holdings (UK) Limited, Airtel Gabon Telesonic Holdings (UK) Limited, Airtel Kenya Telesonic Holdings (UK) Limited, Airtel Madagascar Telesonic Holdings (UK) Limited, Airtel (M) Telesonic Holdings (UK) Limited, Airtel Niger Telesonic Holdings (UK) Limited, Airtel Nigeria Telesonic Holdings (UK) Limited, Airtel Rwanda Telesonic Holdings (UK) Limited, Airtel Seychelles Telesonic Holdings (UK) Limited, Airtel Tanzania Telesonic Holdings (UK) Limited, Airtel Uganda Telesonic Holdings (UK) Limited, Airtel Zambia Telesonic Holdings (UK) Limited, Airtel Tchad Telesonic Holdings (UK) Limited, Airtel (M) Telesonic Limited, Airtel Kenya Telesonic Limited, Airtel Nigeria Telesonic Limited, Airtel Rwanda Telesonic Limited, Airtel Telesonic Uganda Limited, Airtel Zambia Telesonic Limited, Airtel (Seychelles) Telesonic Limited, Nxtra Africa Data Holdings Limited, Nxtra Congo Data Holdings (UK) Limited, Nxtra DRC Data Holdings (UK) Limited, Nxtra Gabon Data Holdings (UK) Limited, Gabon Towers S.A., Nxtra Kenya Data Holdings (UK) Limited, Millicom Ghana Company Limited, Airtel Mobile Commerce Tanzania B.V., Nxtra Nigeria Data Holdings (UK) Limited, Airtel Congo RDC Telesonic S.A.U., Nxtra Africa Data (Nigeria) Limited, MAWEZI RDC S.A., HUGHES GLOBAL EDUCATION INDIA PRIVATE LIMITED, HCIL COMTEL PRIVATE LIMITED, Airtel Gabon Telesonic S.A., Nxtra Africa Data (Kenya) Limited, Airtel Money Trust Fund, The Registered Trustees of Airtel Money Trust Fund, Nxtra Africa Data (Nigeria) FZE, Beetel Teletech Limited, Beetel Teletech Singapore Private Limited, Dixon Electro Appliances Private Limited

Disclaimer: - This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.



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SECTION 1 PERFORMANCE AT A GLANCE

| Particulars | Unit | Full Year Ended | | | Quarter Ended | | | | |
|--|---------|-----------------|---------|---------|---------------|--------|---------|--------|--------|
| | | 2022 | 2023 | 2024 | Mar-23 | Jun-23 | Sep-23 | Dec-23 | Mar-24 |
| Operating Highlights | | | | | | | | | |
| Total Customer Base | 000's | 24,898 | 26,045 | 27,646 | 26,045 | 26,461 | 26,805 | 27,071 | 27,646 |
| Total Minutes on Network | Mn Min | 297,157 | 321,786 | 351,591 | 84,268 | 86,789 | 87,221 | 86,689 | 90,892 |
| Network Towers | Nos | 18,786 | 21,672 | 25,704 | 21,672 | 22,605 | 23,748 | 24,874 | 25,704 |
| Financials (Rs Mn) | | | | | | | | | |
| Total revenues | Rs Mn | 54,052 | 65,790 | 70,888 | 17,325 | 16,817 | 17,385 | 18,006 | 18,680 |
| EBITDA | Rs Mn | 18,985 | 28,884 | 34,905 | 7,974 | 8,551 | 8,592 | 8,621 | 9,140 |
| EBIT | Rs Mn | 4,575 | 13,351 | 17,513 | 4,026 | 4,407 | 4,271 | 4,293 | 4,542 |
| Cash profit from operations before Derivative & Exchange Fluctuations | Rs Mn | 13,310 | 22,865 | 29,646 | 6,645 | 7,556 | 7,282 | 7,212 | 7,595 |
| Profit before tax | Rs Mn | (1,100) | 7,338 | 12,263 | 2,701 | 3,418 | 2,953 | 2,881 | 3,010 |
| Net income | Rs Mn | 16,746 | 5,492 | 5,044 | 2,019 | 2,532 | (1,841) | 2,127 | 2,226 |
| Capex | Rs Mn | 7,693 | 15,162 | 20,235 | 4,712 | 5,883 | 5,912 | 3,515 | 4,925 |
| Operating Free Cash Flow (EBITDA - Capex) | Rs Mn | 11,291 | 13,721 | 14,670 | 3,262 | 2,668 | 2,680 | 5,106 | 4,216 |
| Net Debt | Rs Mn | 88,984 | 81,021 | 78,273 | 81,021 | 79,954 | 77,546 | 75,375 | 78,273 |
| Shareholder's Equity | Rs Mn | 36,605 | 42,095 | 46,387 | 42,095 | 44,622 | 42,033 | 44,161 | 46,387 |
| Financials (US\$ Mn) | | | | | | | | | |
| Total Revenue ¹ | US\$ Mn | 727 | 819 | 857 | 211 | 205 | 211 | 216 | 225 |
| EBITDA ¹ | US\$ Mn | 255 | 359 | 422 | 97 | 104 | 104 | 104 | 110 |
| EBIT ¹ | US\$ Mn | 62 | 166 | 212 | 49 | 54 | 52 | 52 | 55 |
| Cash profit from operations before Derivative & Exchange Fluctuations ¹ | US\$ Mn | 179 | 284 | 358 | 81 | 92 | 88 | 87 | 91 |
| Profit before Tax ¹ | US\$ Mn | (15) | 91 | 148 | 33 | 42 | 36 | 35 | 36 |
| Net income ¹ | US\$ Mn | 225 | 68 | 61 | 25 | 31 | (22) | 26 | 27 |
| Capex ¹ | US\$ Mn | 103 | 189 | 245 | 57 | 72 | 72 | 42 | 59 |
| Operating Free Cash Flow (EBITDA - Capex) | US\$ Mn | 152 | 171 | 177 | 40 | 32 | 32 | 61 | 51 |
| Net Debt ² | US\$ Mn | 1,172 | 984 | 939 | 984 | 975 | 933 | 907 | 939 |
| Shareholder's Equity ² | US\$ Mn | 482 | 511 | 556 | 511 | 544 | 506 | 531 | 556 |
| Key Ratios | | | | | | | | | |
| EBITDA Margin | % | 35.1% | 43.9% | 49.2% | 46.0% | 50.8% | 49.4% | 47.9% | 48.9% |
| EBIT Margin | % | 8.5% | 20.3% | 24.7% | 23.2% | 26.2% | 24.6% | 23.8% | 24.3% |
| Net Profit Margin | % | 31.0% | 8.3% | 7.1% | 11.7% | 15.1% | -10.6% | 11.8% | 11.9% |
| Net Debt to Funded Equity Ratio | Times | 2.43 | 1.92 | 1.69 | 1.92 | 1.79 | 1.84 | 1.71 | 1.69 |
| Net Debt to EBITDA (Annualised) | Times | 4.69 | 2.81 | 2.24 | 2.54 | 2.34 | 2.26 | 2.19 | 2.14 |
| Interest Coverage ratio | Times | 3.60 | 5.02 | 6.23 | 5.90 | 6.12 | 6.11 | 6.07 | 6.61 |
| Return on Shareholder's Equity (Post Tax) | % | 59.3% | 14.0% | 11.4% | 13.4% | 16.3% | 9.8% | 11.2% | 11.1% |
| Return on Shareholder's Equity (Pre Tax) | % | 65.2% | 18.6% | 20.9% | 17.9% | 21.9% | 18.6% | 20.7% | 20.4% |
| Return on Capital employed (Annualised) | % | 4.1% | 10.7% | 14.1% | 13.3% | 14.2% | 14.0% | 14.4% | 14.9% |
| Valuation Indicators* | | | | | | | | | |
| Market Capitalization | Rs Bn | - | - | 406.9 | - | - | - | - | 406.9 |
| Market Capitalization | US\$ Bn | - | - | 4.9 | - | - | - | - | 4.9 |
| Enterprise Value | Rs Bn | - | - | 485.1 | - | - | - | - | 485.1 |
| EV / EBITDA | Times | - | - | 13.9 | - | - | - | - | 13.3 |
| PE Ratio | Times | - | - | 80.7 | - | - | - | - | 80.7 |

*Valuation indicators are as on April 12, 2024, i.e., the date of listing of securities at BSE & NSE.

Note 1: Average exchange rates used for Rupee conversion to US\$ is (a) Rs 74.36 for the financial year ended March 31, 2022 (b) Rs 80.37 for the financial year ended March 31, 2023 (c) Rs 82.74 for the financial year ended March 31, 2024 (d) Rs 82.28 for the quarter ended March 31, 2023 (e) Rs 82.16 for the quarter ended June 30, 2023 (f) Rs 82.49 for the quarter ended September 30, 2023 (g) Rs 83.22 for the quarter ended December 31, 2023 (h) Rs 83.10 for the quarter ended March 31, 2024 based on the RBI Reference rate. Note 2: Closing exchange rates used for Rupee conversion to US\$ is (a) Rs 75.92 for the financial year ended March 31, 2022 (b) Rs 82.30 for the financial year ended March 31, 2023 (c) Rs 83.37 for the financial year ended March 31, 2024 (d) Rs 82.30 for the quarter ended March 31, 2023 (e) Rs 82.04 for the quarter ended June 30, 2023 (f) Rs 83.08 for the quarter ended September 30, 2023 (g) Rs 83.12 for the quarter ended December 31, 2023 (h) Rs 83.37 for the quarter ended March 31, 2024 being the RBI Reference rate.



SECTION 2

BHARTI HEXACOM - AN INTRODUCTION

2.1 Introduction

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.

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.

The shares of Bharti Hexacom Ltd are listed on the Indian Stock Exchanges- NSE & BSE.

2.2 Business Divisions

Mobile Services –We offer postpaid, pre-paid, roaming, internet and other value added services. Our distribution channel is spread across 51 retail outlets and 24 small format stores with network

presence in 488 census and 66,954 non-census towns and villages in India with population coverage of 96.2%.

Our services are spread across Rajasthan and North East offering high-speed internet access and a host of innovative services like Mobile TV, video calls, live-streaming videos, gaming, buffer-less HD video streaming and multi-tasking capabilities to our customers.

Homes and Office Services – The Company provides fixed-line telephone and broadband services for homes in 93 cities (including LCOs) in Rajasthan and North East. The product offerings include high-speed broadband on copper and fiber and voice connectivity, up to the speed of 1 Gbps for the home segment.

2.3 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, Nokia and Ceragon, etc.



SECTION 3

FINANCIAL HIGHLIGHTS

The financial results presented in this section are compiled based on the audited financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) and the underlying information.

Detailed financial statements, analysis & other related information is attached to this report (page 11 - 14). Also, kindly refer to Section 7.3 - use of Non - GAAP financial information (page 15) and Glossary (page 24) for detailed definitions.

3.1 Summary of Financial Statements

3.1.1 Summarized Statement of Operations (net of inter segment eliminations)

| Particulars | Quarter Ended | | | Year Ended | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Mar-24 | Mar-23 | Y-o-Y Growth | Mar-24 | Mar-23 | Y-o-Y Growth |
| Total revenues | 18,680 | 17,325 | 8% | 70,888 | 65,790 | 8% |
| EBITDA | 9,140 | 7,974 | 15% | 34,905 | 28,884 | 21% |
| <i>EBITDA / Total revenues</i> | <i>48.9%</i> | <i>46.0%</i> | <i>2.9 pp</i> | <i>49.2%</i> | <i>43.9%</i> | <i>5.3 pp</i> |
| EBIT | 4,542 | 4,026 | 13% | 17,513 | 13,351 | 31% |
| Finance cost (net) | 1,532 | 1,325 | 16% | 5,250 | 6,014 | -13% |
| Profit before tax | 3,010 | 2,701 | 11% | 12,263 | 7,338 | 67% |
| Income tax expense | 784 | 682 | 15% | 3,148 | 1,845 | 71% |
| Profit after tax (before exceptional items) | 2,226 | 2,019 | 10% | 9,115 | 5,493 | 66% |
| Net income (before exceptional items) | 2,226 | 2,019 | 10% | 9,115 | 5,493 | 66% |
| Exceptional Items (net of tax) | - | - | | 4,071 | - | |
| Net income (after exceptional items) | 2,226 | 2,019 | 10% | 5,044 | 5,492 | -8% |
| Capex | 4,925 | 4,712 | 5% | 20,235 | 15,162 | 33% |
| Operating Free Cash Flow (EBITDA - Capex) | 4,216 | 3,262 | 29% | 14,670 | 13,721 | 7% |
| Cumulative Investments | 209,954 | 198,815 | 6% | 209,954 | 198,815 | 6% |

3.1.2 Summarized Statement of Financial Position

| Particulars | Amount in Rs Mn | |
|-------------------------------------|--------------------|--------------------|
| | As at Mar 31, 2024 | As at Mar 31, 2023 |
| Assets | | |
| Non-current assets | 161,202 | 153,553 |
| Current assets | 23,972 | 28,976 |
| Total assets | 185,174 | 182,529 |
| Liabilities | | |
| Non-current liabilities | 63,275 | 79,013 |
| Current liabilities | 75,512 | 61,421 |
| Total liabilities | 138,787 | 140,434 |
| Equity | | |
| Equity | 46,387 | 42,095 |
| Total Equity | 46,387 | 42,095 |
| Total Equity and liabilities | 185,174 | 182,529 |



3.2 Segment wise Summarized Statement of Operations

3.2.1 Mobile Services

Amount in Rs Mn, except ratios

| Particulars | Quarter Ended | | | Year Ended | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Mar-24 | Mar-23 | Y-o-Y Growth | Mar-24 | Mar-23 | Y-o-Y Growth |
| Total revenues | 18,232 | 17,072 | 7% | 69,211 | 64,624 | 7% |
| EBITDA | 8,939 | 7,924 | 13% | 34,203 | 28,441 | 20% |
| <i>EBITDA / Total revenues</i> | <i>49.0%</i> | <i>46.4%</i> | <i>2.6 pp</i> | <i>49.4%</i> | <i>44.0%</i> | <i>5.4 pp</i> |
| EBIT | 4,453 | 4,034 | 10% | 17,307 | 13,200 | 31% |
| Capex | 4,662 | 4,545 | 3% | 18,970 | 14,563 | 30% |
| Operating Free Cash Flow (EBITDA - Capex) | 4,277 | 3,379 | 27% | 15,233 | 13,878 | 10% |
| Cumulative Investments | 205,924 | 195,935 | 5% | 205,924 | 195,935 | 5% |

3.2.2 Homes and Office Services

Amount in Rs Mn, except ratios

| Particulars | Quarter Ended | | | Year Ended | | |
|---|---------------|--------------|----------------|--------------|--------------|---------------|
| | Mar-24 | Mar-23 | Y-o-Y Growth | Mar-24 | Mar-23 | Y-o-Y Growth |
| Total revenues | 547 | 432 | 27% | 2,059 | 1,543 | 33% |
| EBITDA | 201 | 50 | 302% | 700 | 443 | 58% |
| <i>EBITDA / Total revenues</i> | <i>36.7%</i> | <i>11.6%</i> | <i>25.2 pp</i> | <i>34.0%</i> | <i>28.7%</i> | <i>5.3 pp</i> |
| EBIT | 89 | (9) | 1089% | 205 | 151 | 36% |
| Capex | 263 | 166 | 58% | 1,265 | 599 | 111% |
| Operating Free Cash Flow (EBITDA - Capex) | (62) | (116) | 47% | (565) | (156) | -261% |
| Cumulative Investments | 4,030 | 2,880 | 40% | 4,030 | 2,880 | 40% |



SECTION 4

OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, Revenue per Site are based on Ind-AS.

4.1 Mobile Services

| Parameters | Unit | Mar-24 | Dec-23 | Q-on-Q Growth | Mar-23 | Y-on-Y Growth |
|--------------------------------------|--------|---------|---------|---------------|---------|---------------|
| Customer Base | 000's | 27,341 | 26,782 | 2.1% | 25,827 | 5.9% |
| Net Additions | 000's | 558 | 244 | 129.2% | 347 | 60.7% |
| Monthly Churn | % | 2.0% | 2.5% | | 2.4% | |
| Average Revenue Per User (ARPU) | Rs | 204 | 200 | 1.8% | 189 | 7.7% |
| Average Revenue Per User (ARPU) | US\$ | 2.5 | 2.4 | 1.9% | 2.3 | 6.6% |
| Revenue per tower per month | Rs | 239,261 | 239,880 | -0.3% | 265,567 | -9.9% |
| Voice | | | | | | |
| Minutes on the network | Mn | 90,882 | 86,680 | 4.8% | 84,260 | 7.9% |
| Voice Usage per customer per month | min | 1,120 | 1,086 | 3.2% | 1,094 | 2.4% |
| Data | | | | | | |
| Data Customer Base | 000's | 19,773 | 19,144 | 3.3% | 17,333 | 14.1% |
| <i>Of which 4G/5G data customers</i> | 000's | 19,480 | 18,839 | 3.4% | 17,006 | 14.5% |
| As % of Customer Base | % | 72.3% | 71.5% | | 67.1% | |
| Total GBs on the network | Mn GBs | 1,430 | 1,304 | 9.7% | 1,138 | 25.7% |
| Data Usage per customer per month | GBs | 24.5 | 23.7 | 3.6% | 22.4 | 9.7% |

4.2 Homes and Office Services

| Parameters | Unit | Mar-24 | Dec-23 | Q-on-Q Growth | Mar-23 | Y-on-Y Growth |
|---------------------------------|-------|--------|--------|---------------|--------|---------------|
| Homes Customers | 000's | 305 | 289 | 5.6% | 219 | 39.5% |
| Net additions | 000's | 16 | 23 | -28.4% | 20 | -19.9% |
| Average Revenue Per User (ARPU) | Rs | 522 | 537 | -2.8% | 570 | -8.5% |
| Average Revenue Per User (ARPU) | US\$ | 6.3 | 6.5 | -2.7% | 6.9 | -9.5% |

4.3 Network and Coverage

| Parameters | Unit | Mar-24 | Dec-23 | Q-on-Q Growth | Mar-23 | Y-on-Y Growth |
|--|------|--------|--------|---------------|--------|---------------|
| Mobile Services | | | | | | |
| Network towers | Nos | 25,704 | 24,874 | 830 | 21,672 | 4,032 |
| Total Mobile Broadband Base stations | Nos | 79,835 | 77,735 | 2,100 | 70,057 | 9,778 |
| Homes Services - Cities covered | | | | | | |
| | Nos | 93 | 90 | 3 | 87 | 6 |

*Districts covered is as per 2011 census.



SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Key Company Developments

A. Equity Listing of company's shares at BSE and NSE

Subsequent to the quarter ended March 31, 2024, the company has completed its Initial Public Offer (IPO) for sale by Telecommunications Consultant India Limited (selling shareholder). The equity shares are listed on BSE and NSE w.e.f April 12, 2024.

B. Dividend

For FY24, the Board has recommended a final dividend of Rs. 4 per fully paid-up equity share of face value of Rs. 5 each.

C. Borrowing

The company has redeemed 15,000 listed, unsecured non convertible debentures of face value of Rs 1 mn each aggregating to Rs 15,000 mn with interest on January 19, 2024.

5.2 Results of Operations

Key Highlights – For the quarter ended March 31, 2024

- Overall customer base at ~28 Mn (up 6.1% YoY)
- Mobile data traffic at 1,364 PBs (up 25.7% YoY)
- Total revenues of Rs 18.7 Bn; up by 7.8% YoY
- EBITDA at Rs 9.1 Bn; up 14.6%YoY; EBITDA margin is 48.9%, up by 2.9% YoY
- EBIT at Rs 4.5 Bn; up by 12.8% YoY; EBIT margin is 24.3% up by 1.1% YoY
- Net income of Rs 2.2 Bn vis-à-vis Net income of Rs 2.0 Bn in the corresponding quarter last year

5.2.1 Results for the quarter ended March 31, 2024

As on March 31, 2024, the Company had ~28 Mn customers, an increase of 6.1% as compared to ~26 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 91 Bn, representing a growth of 7.9% as compared to 84 Bn in the corresponding quarter last year. 4G/5G data customer base stood at 19.5 Mn, increased by 0.6 Mn QoQ and 2.5 Mn YoY. Mobile Data traffic grew 25.7% to 1,364 PBs during the quarter as compared to 1,085 PBs in the corresponding quarter last year. Average mobile data usage per customer increased by 9.7% YoY to 24.5 GB/month as compared to 22.4 GB/month in the corresponding quarter last year.

By the end of the quarter, the company had 25,704 network towers as compared to 21,672 network towers in the corresponding quarter last year. The Company had total 79,835 mobile broadband base stations as compared to 70,057 mobile broadband base stations at the end of the corresponding quarter last year and 77,735 at the end of the previous quarter. Further, the Company had Homes operations in 93 cities (including LCOs). The segment witnessed a revenue growth of 26.6% YoY and customer net additions of ~16 K during the quarter to reach to a total base of 0.3 Mn in Q4'24. On a YoY basis, the customer base increased by 39.5%.

Revenues for the quarter stood at Rs 18,680 Mn, up by 7.8% vis-à-vis Rs 17,325 Mn in the corresponding quarter last year.

Net revenues, after netting off access costs, license fees and cost of goods sold, stood at Rs 14,833 Mn, up 13.0% as compared to Rs 13,123 Mn in the corresponding quarter last year.

Opex (excluding access costs, costs of goods sold and license fees) stood at Rs 6,053 Mn, decreased by 1.3% QoQ (up 11.6% as compared to corresponding quarter last year).

EBITDA was at Rs 9,140 Mn during the quarter, compared to Rs 7,974 Mn in the corresponding quarter last year (up 14.6% YoY) and Rs 8,621 Mn in the previous quarter (up 6.0% QoQ). EBITDA margin for the quarter was at 48.9% as compared to 46.0% in the corresponding quarter last year and 47.9% in the previous quarter.

Depreciation and amortization expenses were at Rs 4,598 Mn vis-à-vis Rs 3,947 Mn in the corresponding quarter last year (up 16.5%YoY) and Rs 4,328 Mn in the previous quarter.

EBIT for the quarter was at Rs 4,542 Mn as compared to Rs 4,026 Mn in the corresponding quarter last year and Rs 4,293 Mn in the previous quarter. The resultant EBIT margin for the quarter was at 24.3% as compared to 23.2% in the corresponding quarter last year and 23.8% in the previous quarter.

Cash profits from operations (before derivative and exchange fluctuations) for the quarter were at Rs 7,595 Mn as compared to Rs 6,645 Mn in the corresponding quarter last year and Rs 7,212 Mn in the previous quarter.

Net finance costs for the quarter were at Rs 1,532 Mn as compared to Rs 1,325 Mn in the corresponding quarter last year (up 15.6%YoY) and Rs 1,411 Mn in the previous quarter (up 8.6% QoQ).

The resultant profit before tax and exceptional items for the quarter ended March 31, 2024 was Rs 3,010 Mn as compared to profit of Rs 2,701 Mn in the corresponding quarter last year and a profit of Rs 2,881 Mn in the previous quarter.

The income tax expense for the quarter ended March 31, 2024 was Rs 783 Mn as compared to Rs 682 Mn in the corresponding quarter last year and Rs 754 Mn in the previous quarter.



Net income for the quarter ended March 31, 2024 was Rs 2,226 Mn as compared to profit of Rs 2,019 Mn in the corresponding quarter last year and profit of Rs 2,127 Mn in the previous quarter. The capital expenditure for the quarter ending March 31, 2024 was Rs 4,925 Mn.

Net debt excluding lease obligations for the company stands at Rs 45,573 Mn as on March 31, 2024 compared to Rs 51,678 Mn as on March 31, 2023. Net debt for the company including the impact of leases stands at Rs 78,273 Mn as on March 31, 2024. The Net Debt-EBITDA ratio (annualized) and including the impact of leases for the quarter March 31, 2024 was at 2.14 times as compared to 2.19 times in the previous quarter.

5.2.2 Results for the full year ended March 31, 2024

The consolidated revenues for the year ended March 31, 2024 at Rs. 70,888 Mn, vis-à-vis Rs 65,790 Mn in the previous year, an increase of 5,098 Mn.

The Company incurred operating expenditure (excluding access charges, cost of goods sold and license fees) of Rs 23,099 Mn

5.3 Bharti Hexacom's Three Line Graph

The Company tracks its performance on a three-line graph.

The parameters considered for the three-line graph are:

1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii)

representing an increase of 7.4% over the previous year. EBITDA at Rs 34,905 Mn increased by 20.8% over the previous year on reported basis. The Company's EBITDA margin for the year increased to 49.2% as compared to 43.9% in the previous year.

Depreciation and amortization costs for the year were higher by 12.0% to Rs 17,392 Mn. Consequently, EBIT for the year stood at Rs 17,513 Mn, increased by Rs 4,162 Mn over the previous year. The Company's EBIT Margin for the year increased to 24.7% vis-à-vis 20.3% in the previous year.

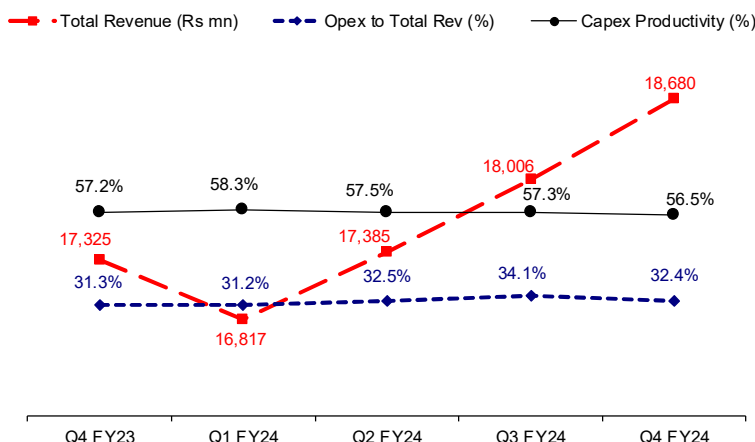
Net finance costs at Rs 5,250 Mn were lower by Rs 764 Mn compared to previous year. Consequently, the consolidated profit before taxes and exceptional items at Rs 12,263 Mn compared to profit of Rs 7,338 Mn for the previous year.

The resultant consolidated net profit for the year ended March 31, 2024 came in at Rs 5,043 Mn as compared to net profit of Rs 5,492 Mn in the previous year. The capital expenditure for the financial year ending March 31, 2024 was Rs 20,235 Mn

network operations costs and (iii) selling, general and administrative costs. This ratio depicts the operational efficiencies in the Company

3. Capex Productivity – this is computed by dividing LTM revenue by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

Given below are the graphs for the last five quarters of the Company:





SECTION 6

STOCK MARKET HIGHLIGHTS

6.1 General Information as on April 12, 2024

| Shareholding and Financial Data | Unit | |
|---------------------------------------|-----------|-----------------------|
| Code/Exchange | | 544162/BSE |
| Bloomberg/Reuters | | BHARTIHE IN / BHAX.NS |
| No. of Shares Outstanding (12/04/24) | Mn Nos | 500 |
| Closing Market Price - BSE (12/04/24) | Rs /Share | 814 |
| Market Capitalization | Rs Bn | 407 |
| Market Capitalization | US\$ Bn | 4.88 |
| Book Value Per Equity Share | Rs /share | 92.77 |
| Market Price/Book Value | Times | 8.77 |
| Enterprise Value | Rs Bn | 485 |
| Enterprise Value | US\$ Bn | 5.82 |
| Enterprise Value/ EBITDA | Times | 13.27 |
| P/E Ratio | Times | 80.67 |

6.2 Summarized Shareholding pattern as of April 12, 2024

| Category | Number of Shares | % |
|--------------------------------------|--------------------|----------------|
| Promoter & Promoter Group | | |
| Indian | 350,000,000 | 70.00% |
| Sub total | 350,000,000 | 70.00% |
| Public Shareholding | | |
| Institutions | 55,074,692 | 11.01% |
| Non-institutions | 94,925,308 | 18.99% |
| Sub total | 150,000,000 | 30.00% |
| Total | 500,000,000 | 100.00% |



SECTION 7

DETAILED FINANCIAL AND RELATED INFORMATION

7.1 Extracts from Audited Financial Statements prepared in accordance with Indian Accounting Standards (Ind-As)

7.1.1 Summarized Statement of Income (net of inter segment eliminations)

| Particulars | Quarter Ended | | | Year Ended | | |
|---|---------------------------------------|---------------|--------------|---------------|---------------|--------------|
| | Mar-24 | Mar-23 | Y-o-Y Growth | Mar-24 | Mar-23 | Y-o-Y Growth |
| | <i>Amount in Rs Mn, except ratios</i> | | | | | |
| Income | | | | | | |
| Revenue | 18,680 | 17,325 | 8% | 70,888 | 65,790 | 8% |
| Other income | 487 | 443 | 10% | 2,487 | 1,402 | 77% |
| Total | 19,167 | 17,768 | 8% | 73,375 | 67,192 | 9% |
| Expenses | | | | | | |
| Network operating expenses | 4,564 | 4,071 | 12% | 16,849 | 15,863 | 6% |
| Access Charges | 2,067 | 2,626 | -21% | 7,461 | 9,833 | -24% |
| License fee / spectrum charges (revenue share) | 1,728 | 1,507 | 15% | 6,520 | 6,329 | 3% |
| Employee benefits | 260 | 213 | 22% | 1,054 | 903 | 17% |
| Sales and marketing expenses | 897 | 799 | 12% | 3,692 | 3,067 | 20% |
| Other expenses | 386 | 409 | -6% | 1,700 | 1,938 | -12% |
| Total | 9,902 | 9,625 | 3% | 37,276 | 37,933 | -2% |
| Profit from operating activities before depreciation, amortization and exceptional items | 9,265 | 8,143 | 14% | 36,099 | 29,259 | 23% |
| Depreciation and amortisation | 4,598 | 3,949 | 16% | 17,392 | 15,533 | 12% |
| Finance costs | 1,657 | 1,493 | 11% | 6,444 | 6,388 | 1% |
| Profit before exceptional items and tax | 3,010 | 2,701 | 11% | 12,263 | 7,338 | 67% |
| Exceptional items | - | - | | 3,030 | - | |
| Profit/(Loss) before tax | 3,010 | 2,701 | 11% | 9,233 | 7,338 | 26% |
| Tax expense | | | | | | |
| Current tax | 1,271 | - | | 5,135 | - | |
| Deferred tax | (487) | 682 | -171% | (946) | 1,846 | -151% |
| Profit / (Loss) for the period | 2,226 | 2,019 | 10% | 5,044 | 5,492 | -8% |
| Items not to be reclassified to profit or loss : | | | | | | |
| Re-measurement gains / (losses) on defined benefit plans | 0 | 1 | -90% | (3) | (3) | 3% |
| Tax credit / (charge) | (0) | (0) | 56% | 1 | 1 | -4% |
| | 0 | 1 | -94% | (2) | (2) | 3% |
| Other comprehensive income / (loss) for the period | 0 | 1 | -94% | (2) | (2) | 3% |
| Total comprehensive income / (loss) for the period | 2,226 | 2,020 | 10% | 5,042 | 5,490 | -8% |
| Earnings per share (Face value : Rs. 5/- each) (In Rupees) | | | | | | |
| Basic | 4.45 | 4.04 | 10% | 10.09 | 10.98 | -8% |
| Diluted | 4.45 | 4.04 | 10% | 10.09 | 10.98 | -8% |



7.1.2 Summarized Balance Sheet

| Particulars | Amount in Rs Mn | | |
|--|-----------------------|-----------------------|-----------------------|
| | As at Mar 31, 2024 | As at Dec 31, 2023 | As at Mar 31, 2023 |
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment (inc CWIP and ROU) | 84,009 | 81,269 | 71,661 |
| Intangible assets | 56,586 | 57,472 | 59,440 |
| Financial Assets | | | |
| - Others | 4,874 | 4,794 | 5,290 |
| Income & Deferred tax assets (net) | 10,843 | 10,127 | 10,878 |
| Other non-current assets | 4,890 | 5,106 | 6,284 |
| | 161,202 | 158,768 | 153,553 |
| Current assets | | | |
| Financial Assets | | | |
| - Investments | 2,376 | 18,358 | 10,460 |
| - Trade receivables | 4,446 | 2,316 | 1,489 |
| - Cash and bank balances | 398 | 247 | 555 |
| - Other bank balances | 345 | 342 | 332 |
| - Others | 10,514 | 9,743 | 9,119 |
| Other current assets | 5,893 | 6,256 | 7,021 |
| | 23,972 | 37,262 | 28,976 |
| Total Assets | 185,174 | 196,030 | 182,529 |
| Equity and liabilities | | | |
| Equity | | | |
| Equity | 46,387 | 44,161 | 42,095 |
| | 46,387 | 44,161 | 42,095 |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| - Borrow ings | 56,230 | 54,558 | 72,750 |
| - Others | 0 | 787 | 0 |
| Other non-current liabilities | 7,045 | 6,572 | 6,263 |
| | 63,275 | 61,917 | 79,013 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| - Borrow ings | 24,816 | 39,764 | 19,286 |
| - Trade Payables | 14,848 | 16,347 | 14,406 |
| - Others | 9,543 | 10,012 | 10,261 |
| Current tax liabilities (net) | 7,785 | 6,208 | 624 |
| Other current liabilities | 18,520 | 17,621 | 16,844 |
| | 75,512 | 89,952 | 61,421 |
| Total liabilities | 138,787 | 151,869 | 140,434 |
| Total equity and liabilities | 185,174 | 196,030 | 182,529 |



7.1.3 Statement of Cash Flow

| Particulars | Amount in Rs Mn | | | |
|---|-----------------|----------------|-----------------|-----------------|
| | Quarter Ended | | Year Ended | |
| | Mar-24 | Mar-23 | Mar-24 | Mar-23 |
| Cash flows from operating activities | | | | |
| Profit before tax | 3,010 | 2,701 | 9,233 | 7,338 |
| Adjustments for - | | | | |
| Depreciation and amortisation | 4,598 | 3,949 | 17,392 | 15,533 |
| Finance costs | 1,655 | 1,490 | 6,441 | 6,374 |
| Interest income | (76) | (10) | (773) | (85) |
| Net fair value gain on financial instruments | (49) | (159) | (421) | (290) |
| Other non-cash items | (60) | 30 | 3,066 | 431 |
| Operating cash flow before changes in working capital | 9,078 | 8,001 | 34,938 | 29,301 |
| Changes in working capital - | | | | |
| Trade receivables | (2,071) | (40) | (2,975) | 19,075 |
| Trade payables | (1,773) | (1,697) | 33 | (769) |
| Other assets and liabilities | 1,053 | 1,351 | 3,639 | 3,674 |
| Net cash generated from operations before tax | 6,287 | 7,615 | 35,635 | 51,281 |
| Income tax (paid) / refund | (129) | (61) | (174) | (197) |
| Net cash generated from operating activities (a) | 6,158 | 7,554 | 35,461 | 51,084 |
| Cash flows from investing activities | | | | |
| Net (Purchase) / proceeds from sale of PPE | (4,902) | (3,318) | (20,477) | (9,391) |
| Purchase of intangible assets, spectrum- DPL | (0) | (0) | (352) | (1,321) |
| Net movement in current investments | 16,031 | 10 | 8,505 | (9,680) |
| Interest received | 76 | 8 | 773 | 83 |
| Net cash (used in) / generated from investing activities (b) | 11,205 | (3,300) | (11,551) | (20,309) |
| Cash flows from financing activities | | | | |
| Net (Repayments) / Proceeds from borrow ings | (15,000) | (1,900) | (15,000) | (24,400) |
| Net proceeds/ (repayments) from short-term borrow ings | (195) | 0 | 0 | (28) |
| Payment of lease liabilities | (702) | (665) | (2,930) | (2,831) |
| Interest and other finance charges paid | (1,315) | (1,502) | (5,356) | (3,855) |
| Dividend paid (including tax) | - | - | (750) | - |
| Net cash (used in) / generated from financing activities (c) | (17,212) | (4,067) | (24,036) | (31,114) |
| Net movement in cash and cash equivalents (a+b+c) | 151 | 187 | (126) | (339) |
| Cash and cash equivalents as at beginning of the period | 248 | 337 | 524 | 863 |
| Cash and cash equivalents as at end of the period | 398 | 524 | 398 | 524 |



7.2 Schedule of Net Debt & Finance Cost

7.2.1 Schedule of Net Debt in INR

| Particulars | Amount in Rs Mn | |
|---|-----------------------|-----------------------|
| | As at Mar 31, 2024 | As at Mar 31, 2023 |
| Long term debt, net of current portion | - | 19,999 |
| Short-term borrowings and current portion of long-term debt | 20,001 | 15,001 |
| Deferred payment liability | 28,346 | 27,693 |
| Less: | | |
| Cash and Cash Equivalents | 398 | 555 |
| Investments & Receivables | 2,376 | 10,460 |
| Net Debt | 45,573 | 51,678 |
| Lease Obligations | 32,700 | 29,343 |
| Net Debt including Lease Obligations | 78,273 | 81,021 |

7.2.2 Schedule of Net Debt in US\$

| Particulars | Amount in US\$ Mn | |
|---|-----------------------|-----------------------|
| | As at Mar 31, 2024 | As at Mar 31, 2023 |
| Long term debt, net of current portion | - | 243 |
| Short-term borrowings and current portion of long-term debt | 240 | 182 |
| Deferred payment liability | 340 | 336 |
| Less: | | |
| Cash and Cash Equivalents | 5 | 7 |
| Investments & Receivables | 28 | 127 |
| Net Debt | 547 | 628 |
| Lease Obligation | 392 | 357 |
| Net Debt including Lease Obligations | 939 | 984 |

7.2.3 Schedule of Finance Cost

| Particulars | Amount in Rs Mn, except ratios | | | |
|--|--------------------------------|--------------|--------------|--------------|
| | Quarter Ended | | Year Ended | |
| | Mar-24 | Mar-23 | Mar-24 | Mar-23 |
| Interest on borrowings & Finance charges | 1,041 | 942 | 4,073 | 4,333 |
| Interest on Lease Obligations | 629 | 554 | 2,379 | 2,028 |
| Derivatives and exchange (gain)/ loss | (13) | (3) | (8) | 28 |
| Investment (income)/ loss | (125) | (168) | (1,194) | (374) |
| Finance cost (net) | 1,532 | 1,325 | 5,250 | 6,014 |



7.3 Use of Non-GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with Ind-AS, but this information is not in itself an expressly permitted GAAP measure. Such non - GAAP measures should not be viewed in isolation as alternatives to the equivalent GAAP measures.

A summary of non - GAAP measures included in this report, together with details where additional information and reconciliation to the nearest equivalent GAAP measure can be found, is shown below.

| Non – GAAP measure | Equivalent GAAP measure | Location in this results announcement of reconciliation and further information |
|--|----------------------------------|---|
| Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA) | Profit from operating activities | Page 15 |
| Cash Profit from Operations before Derivative & Exchange (Gain)/Loss | Profit from operating activities | Page 15 |

7.3.1 Reconciliation of Non-GAAP financial information based on Ind-AS

Amount in Rs Mn, except ratios

| Particulars | Quarter Ended | | Year Ended | |
|--|---------------|--------------|---------------|---------------|
| | Mar-24 | Mar-23 | Mar-24 | Mar-23 |
| Profit / (loss) from operating activities before depreciation, amortization and exceptional items To EBITDA | | | | |
| Profit / (Loss) from Operating Activities | 9,265 | 8,143 | 36,099 | 29,259 |
| Less: Finance Income/Derivatives MTM | 126 | 168 | 1,195 | 374 |
| EBITDA | 9,140 | 7,974 | 34,905 | 28,884 |

| Reconciliation of Finance Cost | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|
| Finance Cost | 1,657 | 1,493 | 6,444 | 6,388 |
| Less: Finance Income/Derivatives MTM | 126 | 168 | 1,195 | 374 |
| Finance Cost (net) | 1,532 | 1,325 | 5,250 | 6,014 |

| Profit / (loss) from operating activities before depreciation, amortization and exceptional items to Cash Profit from Operations before Derivative & Exchange Fluctuation | | | | |
|--|--------------|--------------|---------------|---------------|
| Profit / (Loss) from Operating Activities | 9,265 | 8,143 | 36,099 | 29,259 |
| Less: Finance cost | 1,657 | 1,493 | 6,444 | 6,388 |
| Add: Derivatives and exchange (gain)/loss | (13) | (3) | (8) | 28 |
| Cash Profit from Operations before Derivative & Exchange Fluctuation | 7,595 | 6,645 | 29,646 | 22,865 |



SECTION 8

COST SCHEDULES

8.1 Schedule of Operating Expenses

| Particulars | Quarter Ended | | Year Ended | |
|--|---------------|--------------|---------------|---------------|
| | Mar-24 | Mar-23 | Mar-24 | Mar-23 |
| | | | | |
| Access charges | 2,067 | 2,626 | 7,461 | 9,833 |
| Licence fees, revenue share & spectrum charges | 1,728 | 1,507 | 6,520 | 6,329 |
| Network operations costs | 4,564 | 4,071 | 16,849 | 15,863 |
| Cost of goods sold | 53 | 70 | 196 | 263 |
| Employee costs | 261 | 213 | 1,055 | 903 |
| Selling, general and administration expense | 1,229 | 1,139 | 5,195 | 4,742 |
| Operating Expenses | 9,901 | 9,625 | 37,275 | 37,932 |

8.2 Schedule of Depreciation & Amortization

| Particulars | Quarter Ended | | Year Ended | |
|--|---------------|--------------|---------------|---------------|
| | Mar-24 | Mar-23 | Mar-24 | Mar-23 |
| | | | | |
| Depreciation | 3,607 | 3,074 | 13,740 | 12,003 |
| Amortization | 992 | 873 | 3,652 | 3,528 |
| Depreciation & Amortization | 4,598 | 3,947 | 17,392 | 15,531 |

8.3 Schedule of Income Tax

| Particulars | Quarter Ended | | Year Ended | |
|---------------------------------|---------------|------------|--------------|--------------|
| | Mar-24 | Mar-23 | Mar-24 | Mar-23 |
| | | | | |
| Current tax expense | 1,271 | 0 | 1,271 | 0 |
| Deferred tax expense / (income) | (487) | 682 | 1,877 | 1,845 |
| Income tax expense | 784 | 682 | 3,148 | 1,845 |



SECTION 9

TRENDS AND RATIO ANALYSIS

9.1 Based on Statement of Operations

Amount in Rs Mn, except ratios

| Particulars | Quarter Ended | | | | |
|---|---------------|---------------|----------------|---------------|---------------|
| | Mar-24 | Dec-23 | Sep-23 | Jun-23 | Mar-23 |
| Total revenues | 18,680 | 18,006 | 17,385 | 16,817 | 17,325 |
| Access charges | 2,067 | 1,897 | 1,857 | 1,641 | 2,626 |
| Cost of goods sold | 53 | 46 | 47 | 49 | 70 |
| Licence Fee | 1,728 | 1,655 | 1,564 | 1,572 | 1,507 |
| Net revenues | 14,833 | 14,408 | 13,916 | 13,555 | 13,123 |
| Operating Expenses (Excl Access Charges, cost of goods sold & License Fee & Charity and Donation) | 6,053 | 6,132 | 5,658 | 5,255 | 5,424 |
| EBITDA | 9,140 | 8,621 | 8,592 | 8,551 | 7,974 |
| Cash profit from operations before Derivative and Exchange Fluctuations | 7,595 | 7,212 | 7,282 | 7,556 | 6,645 |
| EBIT | 4,542 | 4,293 | 4,271 | 4,407 | 4,026 |
| Profit before Tax | 3,010 | 2,881 | 2,953 | 3,418 | 2,701 |
| Profit after Tax (before exceptional items) | 2,226 | 2,127 | 2,229 | 2,532 | 2,019 |
| Net income (before exceptional items) | 2,226 | 2,127 | 2,229 | 2,532 | 2,019 |
| Exceptional Items (net of tax) | 0 | 0 | 4,071 | 0 | 0 |
| Net income (after exceptional items) | 2,226 | 2,127 | (1,841) | 2,532 | 2,019 |
| Capex | 4,925 | 3,515 | 5,912 | 5,883 | 4,712 |
| Operating Free Cash Flow (EBITDA - Capex) | 4,216 | 5,106 | 2,680 | 2,668 | 3,262 |
| Cumulative Investments | 209,954 | 205,843 | 203,038 | 199,074 | 198,815 |
| | Mar-24 | Dec-23 | Sep-23 | Jun-23 | Mar-23 |
| As a % of Total revenues | | | | | |
| Access charges | 11.1% | 10.5% | 10.7% | 9.8% | 15.2% |
| Cost of goods sold | 0.3% | 0.3% | 0.3% | 0.3% | 0.4% |
| Licence Fee | 9.3% | 9.2% | 9.0% | 9.4% | 8.7% |
| Net revenues | 79.4% | 80.0% | 80.0% | 80.6% | 75.7% |
| Operating Expenses (Excl Access Charges, cost of goods sold & License Fee & Charity and Donation) | 32.4% | 34.1% | 32.5% | 31.2% | 31.3% |
| EBITDA | 48.9% | 47.9% | 49.4% | 50.8% | 46.0% |
| Cash profit from operations before Derivative and Exchange Fluctuations | 40.7% | 40.1% | 41.9% | 44.9% | 38.4% |
| EBIT | 24.3% | 23.8% | 24.6% | 26.2% | 23.2% |
| Profit before Tax | 16.1% | 16.0% | 17.0% | 20.3% | 15.6% |
| Profit after Tax (before exceptional items) | 11.9% | 11.8% | 12.8% | 15.1% | 11.7% |
| Net income (before exceptional items) | 11.9% | 11.8% | 12.8% | 15.1% | 11.7% |
| Net income (after exceptional items) | 11.9% | 11.8% | -10.6% | 15.1% | 11.7% |



9.2 Financial Trends of Business Operations

Mobile Services

Amount in Rs Mn, except ratios

| Particulars | Quarter Ended | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | Mar-24 | Dec-23 | Sep-23 | Jun-23 | Mar-23 |
| Total revenues | 18,232 | 17,477 | 17,029 | 16,473 | 17,072 |
| EBITDA | 8,939 | 8,403 | 8,471 | 8,390 | 7,924 |
| <i>EBITDA / Total revenues</i> | <i>49.0%</i> | <i>48.1%</i> | <i>49.7%</i> | <i>50.9%</i> | <i>46.4%</i> |
| EBIT | 4,453 | 4,209 | 4,307 | 4,337 | 4,034 |
| Capex | 4,662 | 3,283 | 5,249 | 5,776 | 4,545 |
| Operating Free Cash Flow (EBITDA - Capex) | 4,277 | 5,120 | 3,222 | 2,614 | 3,379 |
| Cumulative Investments | 205,924 | 202,072 | 199,498 | 196,120 | 195,935 |

Homes and Office Services

Amount in Rs Mn, except ratios

| Particulars | Quarter Ended | | | | |
|---|---------------|--------------|--------------|--------------|--------------|
| | Mar-24 | Dec-23 | Sep-23 | Jun-23 | Mar-23 |
| Total revenues | 547 | 543 | 500 | 469 | 432 |
| EBITDA | 201 | 217 | 121 | 161 | 50 |
| <i>EBITDA / Total revenues</i> | <i>36.7%</i> | <i>40.0%</i> | <i>24.2%</i> | <i>34.3%</i> | <i>11.6%</i> |
| EBIT | 89 | 82 | (37) | 71 | (9) |
| Capex | 263 | 232 | 663 | 108 | 166 |
| Operating Free Cash Flow (EBITDA - Capex) | (62) | (15) | (542) | 53 | (116) |
| Cumulative Investments | 4,030 | 3,772 | 3,540 | 2,954 | 2,880 |



9.3 Based on Statement of Financial Position

Amount in Rs Mn, except ratios

| Particulars | As at | | | | |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | Mar 31, 2024 | Dec 31, 2023 | Sep 30, 2023 | Jun 30, 2023 | Mar 31, 2023 |
| Equity | 46,387 | 44,161 | 42,033 | 44,622 | 42,095 |
| Net Debt | 78,273 | 75,375 | 77,546 | 79,954 | 81,021 |
| Net Debt (US\$ Mn) | 939 | 907 | 933 | 975 | 984 |
| Capital Employed = Equity + Net Debt | 124,660 | 119,535 | 119,578 | 124,576 | 123,116 |

| | Mar 31, 2024 | Dec 31, 2023 | Sep 30, 2023 | Jun 30, 2023 | Mar 31, 2023 |
|---|--------------|--------------|--------------|--------------|--------------|
| Return on Equity (Post Tax) | 11.1% | 11.2% | 9.8% | 16.3% | 13.4% |
| Return on Equity (Pre Tax) | 20.4% | 20.7% | 18.6% | 21.9% | 17.9% |
| Return on Capital Employed | 14.9% | 14.4% | 14.0% | 14.2% | 13.3% |
| Net Debt to EBITDA (Annualised) | 2.14 | 2.19 | 2.26 | 2.34 | 2.54 |
| Assets Turnover ratio | 65.7% | 64.5% | 65.4% | 64.5% | 58.2% |
| Interest Coverage ratio (times) | 6.61 | 6.07 | 6.11 | 6.12 | 5.90 |
| Net Debt to Funded Equity (Times) | 1.69 | 1.71 | 1.84 | 1.79 | 1.92 |
| Per share data (for the period) | | | | | |
| Net profit/(loss) per common share (in Rs) | 4.45 | 4.26 | (3.68) | 5.06 | 4.04 |
| Net profit/(loss) per diluted share (in Rs) | 4.45 | 4.26 | (3.68) | 5.06 | 4.04 |
| Book Value Per Equity Share (in Rs) | 92.8 | 88.3 | 84.1 | 89.2 | 84.2 |
| Market Capitalization (Rs Bn)* | 406.9 | - | - | - | - |
| Enterprise Value (Rs Bn) | 485.1 | - | - | - | - |

*Market capitalization is as on April 12, 2024.



9.4 Operational Performance

| Parameters | Unit | Mar-24 | Dec-23 | Sep-23 | Jun-23 | Mar-23 |
|--------------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|
| Total Customers Base | 000's | 27,646 | 27,071 | 26,805 | 26,461 | 26,045 |
| Mobile Services | | | | | | |
| Customer Base | 000's | 27,341 | 26,782 | 26,539 | 26,223 | 25,827 |
| Net Additions | 000's | 558 | 244 | 316 | 396 | 347 |
| Monthly Churn | % | 2.0% | 2.5% | 2.6% | 2.4% | 2.4% |
| Average Revenue Per User (ARPU) | Rs | 204 | 200 | 196 | 194 | 189 |
| Average Revenue Per User (ARPU) | US\$ | 2.5 | 2.4 | 2.4 | 2.4 | 2.3 |
| Revenue per towers per month | Rs | 239,261 | 239,880 | 242,824 | 246,189 | 265,567 |
| Voice | | | | | | |
| Minutes on the network | Mn | 90,882 | 86,680 | 87,212 | 86,783 | 84,260 |
| Voice Usage per customer per month | min | 1,120 | 1,086 | 1,100 | 1,110 | 1,094 |
| Data | | | | | | |
| Data Customer Base | 000's | 19,773 | 19,144 | 18,592 | 17,672 | 17,333 |
| <i>Of which 4G/5G data customers</i> | <i>000's</i> | <i>19,480</i> | <i>18,839</i> | <i>18,270</i> | <i>17,352</i> | <i>17,006</i> |
| <i>As % of Customer Base</i> | <i>%</i> | <i>72.3%</i> | <i>71.5%</i> | <i>70.1%</i> | <i>67.4%</i> | <i>67.1%</i> |
| Total GBs on the network | Mn GBs | 1,430 | 1,304 | 1,232 | 1,183 | 1,138 |
| Data Usage per customer per month | GBs | 24.5 | 23.7 | 23.1 | 22.5 | 22.4 |
| Homes Services | | | | | | |
| Homes Customers | 000's | 305 | 289 | 266 | 239 | 219 |
| Net Additions | 000's | 16 | 23 | 27 | 20 | 20 |
| Average Revenue Per User (ARPU) | Rs | 522 | 537 | 540 | 558 | 570 |
| Average Revenue Per User (ARPU) | US\$ | 6.3 | 6.5 | 6.5 | 6.8 | 6.9 |

9.5 Network and Coverage Trends

| Parameters | Unit | Mar-24 | Dec-23 | Sep-23 | Jun-23 | Mar-23 |
|--|------|--------|--------|--------|--------|--------|
| Mobile Services | | | | | | |
| Network towers | Nos | 25,704 | 24,874 | 23,748 | 22,605 | 21,672 |
| Total Mobile Broadband Base stations | Nos | 79,835 | 77,735 | 74,910 | 72,249 | 70,057 |
| Homes Services - Cities covered | Nos | 93 | 90 | 88 | 87 | 87 |

* Districts covered is as per 2011 census.



SECTION 10

KEY ACCOUNTING POLICIES AS PER Ind-AS

- **Property, Plant and equipment**

Property, plant and equipment (PPE) are stated at cost, net of accumulated depreciation and impairment loss. All direct costs relating to the acquisition and installation of property and equipment are capitalized. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets.

| Assets | Years |
|--|---|
| Buildings | 20 |
| Building on leased land | Lease term or 20 years, whichever is less |
| Network equipment | 3 – 25 |
| Customer premises equipment | 3 – 5 |
| Computer equipment & Servers | 3 – 5 |
| Furniture & fixture and office equipment | 2 – 5 |
| Vehicles | 3 – 5 |
| Leasehold improvements | Lease term or 20 years, whichever is less |

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each financial year so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Costs of additions and substantial improvements to property and equipment are capitalized. The costs of maintenance and repairs of property and equipment are charged to operating expenses.

- **Other Intangible assets**

Intangible assets are recognized 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.

Other intangible assets are recognized at cost. Those assets having finite useful life are carried at cost less accumulated amortization and impairment losses, if any. Amortization 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. Licenses (including spectrum)

Acquired licenses and spectrum are amortized commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful lives range upto twenty five years.

The revenue-share based fee on licenses / spectrum is charged to the statement of profit and loss in the period such cost is incurred.

b. Software: Software are amortized over the period of license, generally not exceeding five years.

The useful lives and amortization method are reviewed, and adjusted appropriately, at least at each financial year end so as to ensure that the method and period of amortization are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and / or amortization method is accounted prospectively, and accordingly the amortization is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development includes the borrowing costs that are directly attributable to the acquisition or construction of qualifying assets and are presented separately in the Balance Sheet.

- **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 recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the Balance Sheet. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using 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), any variable lease payments that are based on consumer price index ('CPI'), the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, 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 amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments including due to changes in CPI or if the company changes its assessment of whether it will exercise a purchase, extension or termination option 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 right-of-use asset, or is recorded in profit or loss if the carrying amount of the related right-of-use asset has been reduced to zero.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments



made at or before the commencement date, any initial direct costs less any lease incentives received.

Subsequent to initial recognition, right-of-use asset are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain re-measurements 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 right-of-use assets are determined on the same basis as those of the underlying property and equipment.

In the Balance Sheet, the right-of-use assets and lease liabilities are presented separately.

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 stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the 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 recognized 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 recognized 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 recognized 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 recognized as operating lease. The contracted price is recognized as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Balance Sheet.

- **Revenue recognition**

Revenue is recognized upon transfer of control of promised products or services to customer at the amount of transaction price (net of variable 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. In order to determine if it is acting as a principal or as an agent, the Company assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. 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:

- (i) **Service revenues**

Service revenues mainly pertain to usage, subscription and customer onboarding for voice, data, messaging and 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 which are recognized upon transfer of control of services over time.

Usage charges are recognized based on actual usage. Subscription charges are recognized over the estimated customer relationship period or subscription pack validity period, whichever is lower. Customer onboarding revenue and associated cost is recognized upon successful onboarding of customer i.e. upfront. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customer.

The billing / collection in excess of revenue recognized is presented as deferred revenue in the Balance Sheet whereas unbilled revenue is recognized under other current financial assets.

Certain business services revenue include revenue from registration and installation, which are amortized over the period of agreement since the date of activation of service.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognized on provision of services and over the period of respective arrangements.

- (ii) **Multiple element arrangements**

The Company has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations and if so, they are accounted for separately.

Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices.

- (iii) **Interest Income**

The interest income is recognized using the effective interest rate method.

- **Cost to obtain or fulfill a contract with a customer**

The Company incurs certain cost or fulfill contract with the customer viz. intermediary commission, etc. where based on Company's estimate of historic average customer life derived from



customer churn rate is longer than 12 months, such costs are deferred and are recognized over the average expected customer life.

- **Exceptional items**

Exceptional items refer to items of income or expense within the 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.

- **Taxes**

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.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. However, deferred tax are not recognized 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. Further, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Moreover, deferred tax is recognized on temporary differences arising on investments in subsidiaries, joint ventures and associates - unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The unrecognized deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.



SECTION 11

GLOSSARY

Technical and Industry Terms

Company Related

| | |
|--|--|
| Asset Turnover | Asset Turnover is defined as total revenues, for the preceding (last) 12 months from the end of the relevant period, divided by average assets. Asset is defined as the sum of non-current assets and net current assets. Net current assets are computed by subtracting current liabilities from current assets. Average assets is calculated by considering average of Opening and closing assets for the relevant period. |
| Average Customers | Average customers are derived by computing the average of the monthly average customers for the relevant period. |
| Average Co-locations | Average co-locations are derived by computing the average of the Opening and Closing co-locations for the relevant period. |
| Average Sharing Factor | It is calculated as the average of the opening and closing number of co-locations divided by the average of the opening and closing number of towers for the relevant period. |
| Average Towers | Average towers are derived by computing the average of the Opening and Closing towers for the relevant period. |
| Book Value Per Equity Share | Equity attributable to the holder's of parent as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period. |
| Capex | It includes investment in gross fixed assets and capital work in progress for the period. |
| Capital Employed | Capital Employed is defined as sum of equity and net debt. |
| Cumulative Investments | Cumulative Investments comprises of gross value of property, plant & equipment (including CWIP & capital advances) and intangibles including investment in associates. |
| Cash Profit From Operations before Derivative & Exchange Fluctuation | It is not an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for interest expense before adjusting for derivative & exchange (gain)/ loss. |
| Churn | Churn is calculated by dividing the total number of disconnections during the relevant period by the average customers; and dividing the result by the number of months in the relevant period. |
| Co-locations | Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower, 'co-location' refers to that single operator. Co-locations as referred to are revenue generating Co-locations. |
| Customer Base | Customers generating revenue through recharge, billing or any outgoing activity. |
| Customers Per Employee | Number of customers on networks of a business unit as at end of the relevant period divided by number of employees in the respective business unit as at end of the relevant period. |
| Data Customer Base | A customer who used at least 1 MB on GPRS / 4G network in the last 30 days. |
| Data Usage per Customer | It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period. |
| Earnings Per Basic Share | It is computed by dividing net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. |



| | |
|---------------------------------|---|
| Earnings Per Diluted Share | <p>The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year.</p> <p>Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above).</p> |
| EBITDA | Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for CSR costs, finance income (part of other income). |
| EBITDA Margin | It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period. |
| EBIT | EBITDA adjusted for depreciation and amortization. |
| Enterprise Valuation (EV) | Calculated as sum of Market Capitalization, Net Debt and finance lease obligations as at the end of the relevant period. |
| EV / EBITDA (times) | For full year ended March 31 2022, 2023 and 2024, It is computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (LTM). For quarterly computation, Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by annualized EBITDA for the relevant period. |
| Finance Lease Obligation (FLO) | Finance Lease Obligation represents present value of future obligation for assets taken on finance lease. |
| Interest Coverage Ratio | EBITDA for the relevant period divided by interest on borrowing for the relevant period. |
| Market Capitalization | Number of issued and outstanding shares as at end of the period multiplied by closing market price (BSE) as at end of the period. |
| Mobile Broadband Base stations | It includes all the 4G Base stations deployed across all technologies i.e. 900/1800/2100/2300 Mhz bands. |
| 4G Data Customer | A customer who used at least 1 MB on 4G network in the last 30 days. |
| Mobile Broadband Towers | It means the total number of network towers (defined below) in which unique number of either 3G or 4G Base stations are deployed, irrespective of their technologies. Total numbers of Mobile Broadband Towers are subset of Total Network Towers. |
| Minutes on the network | Duration in minutes for which a customer uses the network. It is typically expressed over a period of one month. It includes incoming, outgoing and in-roaming minutes. |
| Network Towers | Comprises of Base Transmission System (BTS) which holds the radio trans receivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period. |
| Net Debt | It is not an Ind-AS measure and is defined as the long-term debt, net of current portion plus short-term borrowings, current portion of long-term debt and lease liabilities minus cash and cash equivalents and investments. |
| Net Debt to EBITDA (Annualized) | For the full year ended March 31 2021, 2022 and 2023, it is Computed by dividing net debt at the end of the relevant period by EBITDA for the relevant period (LTM).For Quarterly computation, It is computed by dividing net debt as at the end of the relevant period by EBITDA for the relevant period (annualized). |
| Net Debt to Funded Equity Ratio | It is computed by dividing net debt as at the end of the relevant period by Equity attributable to equity holders of parent as at the end of the relevant period. |



| | |
|---|--|
| Net Revenues | It is not an Ind-AS measure and is defined as total revenues adjusted for access charges, cost of goods sold and license fees for the relevant period. |
| Operating Free Cash flow | It is computed by subtracting capex from EBITDA. |
| Personnel Cost per Employee per month | It is computed by dividing the Personnel Cost by the closing number of employees in a given business unit and number of months in the relevant period. |
| Price-Earnings Ratio – P/E Ratio | It is computed by dividing the closing market price (BSE) as at end of the relevant period by the earnings per basic share for the relevant period (LTM). |
| Profit / (Loss) after current tax expense | It is not an Ind-AS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense. |
| Return On Capital Employed (ROCE) | For the full year ended March 31 2022, 2023 and 2024, ROCE is computed by dividing the EBIT for the period by the average (of opening & Closing) Capital employed. For the quarterly computation, it is computed by dividing the EBIT (annualized for the relevant period) by average capital employed. Average capital employed is calculated by considering average of opening and closing capital employed for the relevant period). |
| Return On Equity (Post Tax) | For the full year ended March 31 2022, 2023 and 2024, it is computed by dividing net profit for the period by the average (of opening and closing) Equity attributable to equity holders of parent. For the quarterly computations, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by the average equity attributable to equity holders of parent (Average parent equity is calculated by considering average of opening and closing parent equity for the relevant period). |
| Return On Equity (Pre Tax) | For the full year ended March 31 2022, 2023 and 2024, it is computed by dividing profit before tax & MI (after exceptional items) for the period by the average (of opening and closing) total Equity. For the quarterly computations, it is computed by dividing profit before tax & MI (after exceptional items) for the preceding (last) 12 months from the end of the relevant period by the average total equity (Average total equity is calculated by considering average of opening and closing total equity for the relevant period). |
| Revenue per Site per month | Revenue per Site per month is computed by: dividing the total mobile revenues, excluding sale of goods (if any) during the relevant period by the average sites; and dividing the result by the number of months in the relevant period. |
| Total Equity | Includes equity attributable to shareholders (both parent and non-controlling interest). |
| Total MBs on Network | Includes total MBs consumed on the network (uploaded & downloaded) on our network during the relevant period. |
| Towers | Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating Towers. |
| Total Operating Expenses | It is defined as sum of employee costs, network operations costs and selling, general and administrative cost for the relevant period. |
| Voice Minutes of Usage per Customer per month | It is calculated by dividing the voice minutes of usage on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period. |



Regulatory & Others

| | |
|--------|---|
| 4G | Fourth - Generation Mobile Telecommunication Technology |
| 5G | Fifth - Generation Mobile Telecommunication Technology |
| BSE | Bombay Stock Exchange of India Limited, Mumbai |
| RBI | Reserve Bank of India |
| GSM | Global System for Mobile Communications. |
| ICT | Information and Communication Technology |
| GAAP | Generally Accepted Accounting Principles |
| KYC | Know Your Customer |
| Ind-AS | Indian Accounting Standards |
| NSE | The National Stock Exchange of India Limited. |
| Sensex | Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986. |
| PPE | Property, plant and equipment |
| VoIP | Voice over Internet Protocol |
| KPI | Key Performance Indicator |
| LTM | Last twelve month |
| FTTH | Fiber-to-the Home |
| VAS | Value added service |

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